

END COLUMN
Junior
miming
tantrum
tennis

Blanket court ban will halt spy reporting

Row breaks over bar on BBC radio revelations

By Frances Gibb Legal Affairs Correspondent

Government lawyers won an order in the High Court yesterday which effectively imposes a blanket ban on reporting of the security services.

The injunction goes far wider than any of the bans imposed in connection with press reporting of *Spycatcher*, the memoirs of the former MI5 officer, Mr Peter Wright.

Yesterday's ban was obtained by lawyers for the Attorney-General, Sir Patrick Mayhew, in connection with a BBC radio series, *My Country Right or Wrong*, which was to be broadcast today.

The injunction was obtained at a private half-hour hearing from Mr Justice Henry, at which BBC lawyers were present. It effectively

EEC fares deal ready for signing

By Harvey Elliott Air Correspondent

The new deal to liberalize air travel in Europe should be signed next week. A package, including the right for airlines to offer cheap off-peak flights anywhere within the EEC at their own discretion, is ready for signature on Monday.

The deal was thrashed out last June but was delayed by Spanish objections on Gibraltar. The main points are:

- Airlines will be free to offer cheaper fares, based on time of travel, on any day of the week.
- An arbitration "court" will be set up to settle disputes over business-class fares.
- Countries may license as many airlines as they wish on routes with more than 250,000 passengers a year.
- Airlines may put on as many flights as they wish and will be able to fly from their hub airports to any EEC regional airports. They will be able to pick up passengers in any EEC country.
- There will be a right to combine points, for example to serve London, Lyons and Naples as one service.
- EEC competition rules will apply to services.

Gibraltar deal, page 7

Hanson soars

Hanson Trust yesterday changed its name to Hanson Plc, and announced that profits for the year had risen by 60 per cent to £741 million. Sales increased by 55 per cent to £6.68 billion. The final dividend is 3p. Page 21

Interest rate cuts fail to lift markets

By David Smith, Economics Correspondent

The high street banks yesterday cut base rates to their lowest level for nearly four years, as part of a Europe-wide move to reduce interest rates and steady the financial markets.

But the markets were unimpressed, and share prices ended down on the day. The FT-SE 100 index closed 1.9 points lower at 1,588.4. In afternoon trading on Wall Street, the Dow Jones industrial average was down 44.92 points at 1,804.05.

The leading banks, led by the Midland, cut base rates from 9 to 8.5 per cent, the lowest level since March 1984. Further cuts and announcements of more reductions in

Workers seek a new look to Lloyd's of London

By Alison Eadie and Michael Horsnell

Lloyd's of London is to seek a designer to sort out the environmental problems of its award-winning £195 million building in the heart of the City of London after it was criticized yesterday by the people who work there.

The criticism of the working environment in the building which, at £3,000 per square metre, was three times as expensive to construct as conventional high-technology buildings, comes only two days after the Prince of Wales accused architects of causing worse damage to the London skyline than the Luftwaffe.

The "inside-out" superstructure of the building, designed by Mr Richard Rogers and likened by some to an oil refinery,

Archbishop maintains his dignity



Dr Robert Runcie in Southwark Cathedral yesterday (Photograph: Harry Kerr)

Habgood denounces attack

By Clifford Longley and Ruth Gladhill

An angry denunciation of the preface to *Crockford's* directory was issued yesterday by the Archbishop of York, Dr John Habgood, as suspicion swirled round the Church of England as to the identity of the author.

The tone of the archbishop's comments suggest he may be determined to try to force an internal inquiry into how the preface came to be commissioned and published.

Yesterday numerous theories surfaced as to the identity of the author, and several churchmen suggested each other, followed by general denials all round. The Archbishop of Canterbury himself was said to be confident he knew who it was, but the Oxford don in question indignantly denied it.

Dr Runcie yesterday consecrated Dr George Carey, principal of Trinity Theological College, Bristol, as Bishop of Bath and Wells in Southwark Cathedral.

Although the Archbishop

Peace hopes grow after post strikes bite in key centres

By John Spicer, Employment Affairs Correspondent

The 24-hour strikes involving nearly 6,500 postal workers in key centres in England, Scotland and Wales which disrupted millions of letters yesterday have ended - at least temporarily.

Members of the Union of Communication Workers responded to the call of their leader, Mr Alan Tiffin, to work normally as hopes rose last night for a settlement in the row over the union's demand for a three-hour cut in the working week.

Mr Tiffin and his union colleagues spent another full day at Post Office headquarters in London thrashing out detailed points, and more progress was said to have been made yesterday than on any day since the latest round of talks began a fortnight ago.

Mr Tiffin arrived for yesterday's meeting saying they were "sitting on a time bomb". At that time, nearly 6,500 workers in Glasgow, Edinburgh, Cardiff, Southend, and south-east London, plus

British Steel is for sale after £190m profit

By Philip Webster, Chief Political Correspondent

The Government yesterday swiftly hoisted British Steel to the top of its "for sale" list after the corporation, which was losing £5 million a day only eight years ago, announced half-year profits of £190 million.

The industry, now the most profitable in Europe, is to be sold off as a single business "as soon as possible", ministers announced.

Legislation is to be introduced soon after Christmas and rushed through by the summer or autumn, making it possible for the £1,000 million privatization to be launched either late next year or early in 1989. It has quickly moved ahead of water and electricity in the Government's self-off priorities.

Ravenscraig in Scotland, long considered to be the most vulnerable of the five main integrated plants in Britain, will be required for at least seven years. British Steel said last night.

The Cabinet, eager to capitalize on the industry's buoyant financial position, decided yesterday that it must find a slot in the already overcrowded legislative timetable for this session of Parliament.

Government business managers, relieved that they have been able to get the centrepiece education, housing and poll tax legislation into Parliament faster than at one time seemed likely, voiced confidence last night that they could meet the new demand thrust upon them.

The decision, announced in the Lords by Lord Young of Grahams, the Secretary of State for Trade and Industry, and in the Commons by Mr Kenneth Clarke, his deputy, was condemned by the Opposition.

But the move was seen by MPs last night as a big boost for Lord Young, who saw the gap developing in the privatization programme and rapidly seized the opportunity to fill it.

It was seen as a sign that his relations with the Prime Minister, which suffered when he declined to take on the party chairmanship on the terms on offer, are back on an even keel.

Ministers in both Houses highlighted the BSC's commitment on Ravenscraig stating that "subject to market conditions" there would continue to be a commercial requirement for steel-making there for at least the next seven years.

Mr Bryan Gould, Labour spokesman on trade and industry, said that on a day when British Steel and its workforce deserved genuine congratulations the Government had placed their future in jeopardy.

It was a success which could not have been achieved with-

out essential investment from the public purse. It was another case of the taxpayer picking up the bill and the City picking up the profit. Mr Gould said.

In a statement echoed by other Labour MPs Mr Gould said the commitment on Ravenscraig was a "hollow promise" depending as it did on commercial considerations.

In the Commons Conservative MPs welcomed the announcement. Mr Clarke said the Government would consider in the sale terms whether to restrict the possibility of foreign ownership. But the idea, he said, did not instantly appeal to him.

There were clear indications last night that the Government would like to see the BSC privatized within the next 12 months (Edward Townsend, Our Industrial Correspondent, writes).

Mr Clarke said at a press conference that it was hoped Royal Assent for the Bill turning the BSC into a private company would be possible by next July and a flotation would take place late next year or early in 1989. The Government would not be retaining a golden share.

Yesterday's statement will be seen as a clear message to other European steel producers and the European Commission in advance of next Tuesday's Council of Ministers' meeting over steel quotas, that the British Government would not approve any more steelmaking closures although the issue of strip mill overcapacity remains.

Mr Clarke said at next week's meeting of European ministers he would be pressing for an early end to the "production quota system" which has protected some of the less efficient steelmakers of Europe.

Sir Robert Scholey, the BSC chairman, said he would like to see some quotas remain until restructuring of the European industry was completed.

Leading article, page 13
Profits rise, page 23

Christmas Special

£7.95

PARTY GLASSWARE SET

Stock up for your Christmas parties with our 18 piece glass sets, containing 6 large tumblers, 6 small tumblers and 6 Paris goblets - amazing value for money (and a really practical gift idea too).

It's just one of the many great offers at Habitat this Christmas - as well as lots of furniture that's ready to take away immediately. So come into Habitat today - it's full of surprises.

★

habitat

A STOREHOUSE PLC COMPANY

INDEX	
Home News	2-6
Overseas	7-9
Business	21-23
Sport	36-40
Arts	16
Births, marriages, deaths	15
Business to business	23
Chaos	2
City Diary	23
Comet	14
Crosswords	10, 20
Diary	12
Entertainments	18
Features	10, 12, 17
Information	18
Law Report	36
Leading articles	13
Letters	13
Marketing	34, 35
Obituary	14
Parliament	4
Saloon	3
Science	14
TV & Radio	19
Weather	20

NOTICE OF IMPORTANT PUBLIC AUCTION

ACTING ON INSTRUCTIONS FROM A U.S. CONSIGNEE, FULLY PACKED CONTAINER (6000 KILOS) WITH A MANIFEST OF HUNDREDS OF VALUABLE TO EXTREMELY VALUABLE AND GUARANTEED AUTHENTIC, CONTEMPORARY OLD AND ANTIQUE

IRANIAN AND PERSIAN CARPETS AND RUGS

WHICH HAS BEEN AWAITING SHIPMENT ON "AMERICA EXPRESS". BILL OF LADING NO. 250 29751 BOOKING NO. T1082 TO HAVE SAILED ON 5TH NOV 87 DUE TO U.S. CUSTOMS EMBARGO OF IRANIAN MERCHANDISE EFFECTIVE 29TH OCT '87 THIS CONTAINER HAS BEEN WITHDRAWN BY THE SHIPPERS AND DELIVERED TO:

A WELLESLEY BRISCOE & PARTNERS LTD

THE SALEROOM ROXBBY PLACE, OFF SEAGRAVE ROAD LONDON SW6. TELEPHONE 01-381 8558 FAX 01-381 4262

AUCTION SUNDAY 6TH DECEMBER AT 3.00 PM

VIEWING FROM 2PM

PACKING LIST DESCRIBES ORIGINS AS ISFAHAN, QUOM MALAYER, SENNEH SIRJAN, MESHAD BELOUCH, HAMADAN, TABRIZ, MAHAL KASHGAI, AFSHAR, SHIRAZ NAIN KASHAN, MOJID, SALUK KESHEGHAN, AND 19TH CENTURY PIECES IN SILK AND WOOL ETC.

TERMS OF PAYMENT: CHEQUE, CASH AND ALL MAJOR CREDIT CARDS

Telecom agrees to bring in itemized bills at £87m cost

By Joe Joseph

British Telecom is bowing to pressure from its customers and from Ofel, the UK telecommunications watchdog, to introduce itemized telephone bills.

The move comes just a few days after BT lost its monopoly on providing public call boxes and will cost £87 million. It means that Britain will, at last, be able to enjoy a service that is as routine in America and many other countries as a detailed restaurant bill. Subscribers to Mercury, BT's fledgling rival, already receive itemized telephone bills.

Detailed billing should help quell unease among some subscribers that rogue meters are swelling their telephone bills and many parents, shocked by the cost of the new premium telephone services charged at a peak rate of 38p a minute, might also welcome it as a way of keeping track of outgoing calls.

Mr Mark Elwes, a director of the Telecom Users' Association, said: "We have been pressing for itemized billing for a long time and welcome BT's decision. Now we want

to see it become universal as soon as possible."

The new, optional facility will be introduced piecemeal as Britain's 7,000 local telephone exchanges are modernized. So far about 1,000 have been updated with computerized equipment.

More than 30,000 customers in London will be offered itemized bills from January during the first stage of the scheme. By next spring, telephone users in Birmingham, Edinburgh, Glasgow and Bristol will also start to receive quarterly bills detailing any call costing more than 30p, including value-added tax.

The bills will show the date and time a call is made, the number dialed and the duration and cost of the call. The cost of making all other calls will be shown as a bulk figure on the bill. Operator-assisted and special service calls will continue to be itemized.

"Our investment in new electronic telephone exchange equipment is now enabling us to move rapidly", Mr Mike Bett, managing director of British Telecom UK Communications, said.

"By 1990 almost 90 per cent of London telephone customers and about half our customers in the rest of the country should be able to get itemized bills."

By 1995, all BT's 22 million customers should have the option of using the new service. BT says the 50p threshold may be re-examined in the light of the public's response.

Professor Bryan Carsberg, director general of Ofel who has been critical of BT's refusal to introduce itemized billing, welcomed the move.

In a speech on Monday, Professor Carsberg warned BT about the public's lack of confidence in its billing procedure, saying that he was "waiting impatiently for indications of progress".

Over-metering was "very small in its percentage effect and under-metering is more likely than over-metering", he said.

The next customers to be offered the fully-operational itemized billing service will be on the London exchanges 01-651 (Sunderland), 01-404 (Holborn), 01-388 (Euston), and 01-833 and 01-837 (King's Cross).

Computerized Cambridge

By Robert Matthews, Technology Correspondent

All 15,000 students and staff at Cambridge University are to be provided with personal computers under a £15 million five-year scheme, Project Grants.

The scheme will link colleges and university departments by fibre-optic cables.

The Department of Education and Science has agreed to fund Cambridge special £3 million allocation for computer services on the scheme. The balance will be raised by the university and from computer companies in the form of equipment deals.

IBM, Digital Equipment

and microchip-makers Qudos have joined the scheme, which is likely to form a model that other universities will follow.

Wealthy universities in the United States give their students computers, and Germany is following their example.

However, in Britain, student access to computers is usually through special departments housing a central computer, a hangover from the days when giant and temperamental number-crunchers were the only machines available.

Computer companies and

the university stand to benefit from the initiative. Mr Peter O'Keefe, managing director of the locally-based Qudos, said yesterday that he expected turnover to double to £2 million because of orders from Project Grants.

His company has supplied 50 Acorn Archimedes scientific computers to the university, and hopes to have orders for 1,000 machines a year for the next five years.

Most of the computers are likely to be used for more conventional tasks, such as word processing by students.

Nurses' petition to MPs



Miss Sally Colter, aged 28, a ward sister at St Thomas's Hospital, south London, holding a petition with 7,300 signatures later presented to London MPs at the House of Commons yesterday in protest against cuts at the hospital resulting in 130 bed closures. The petition, supported by nurses and doctors at the hospital, called for more central funds for the National Health Service. (Photograph: Graham Wood).

International campaign to combat Aids

By Thomson Prentice, Science Correspondent

An international campaign to combat Aids and to encourage preparations for a global vaccination programme will be announced today.

The launch of the World Aids Foundation is being supported by the French and US governments and by Professor Luc Montagnier and Dr Robert Gallo, the French researchers who first identified the Aids virus.

The foundation aims to raise millions of pounds a year towards funding research, education and other projects. It hopes to establish an international network of organizations to foster close collaboration on the disease.

Among those who are expected to be named as giving their support is Elizabeth Taylor, the actress, who is believed to be willing to play a leading role in fund raising efforts. An official said the campaign would bring new urgency to preventing the spread of the disease.

The foundation will work closely with the World Health Organization (WHO), the International Red Cross and other non-governmental agencies and will bring together leading scientists, doctors and health officials.

The foundation will be launched today at Professor Montagnier's laboratories at the Pasteur Institute, Paris.

A senior member of the foundation said: "We believe we can act as a catalyst and a forum to bring together all those whose talents and energies are vital to the success of international Aids policies."

"The Aids crisis is running out of control and although the World Health Organization has a crucial role to play it simply does not have all the necessary resources."

"There will have to be an unprecedented vaccination programme developed worldwide to control the spread of this disease. There is no vaccine yet available but we must be ready to use it when the time comes."

An Aids vaccine is still some years away. The World Health Organization estimates that up to 10 million people may be carrying the virus.

The foundation has been set up mainly as a result of an

The Government is to take its campaign against Aids into the classroom with a video film showing children the dangers of the disease.

The film will be shown in secondary schools throughout the United Kingdom. Mr Michael Forsyth, minister at the Scottish Office responsible for health, said yesterday.

agreement between Professor Montagnier and Dr Gallo and their respective laboratories to provide 80 per cent of their royalties, about £2 million a year, from the sale of Aids test kits that they have developed.

The final stage of the agreement will end a lengthy and complex legal dispute between the researchers over who holds patent rights to the kits.

Dr Jonas Salk, the American scientist who developed the first polio vaccine in 1955, was instrumental in achieving a compromise between the two scientists. Both are understood to be keen to provide more help to poorer nations in Africa and elsewhere.

President Reagan and M Jacques Chirac, the French prime minister, signalled the establishment of the foundation in a statement about the agreement last April.

Police using buses in force's cash shortage

By Stewart Tindler

Senior Scotland Yard officers are to investigate budget problems in a south London police division which have led to detectives using public transport for routine duties.

The restrictions have been imposed in the Orpington area where detectives were given a mileage allowance limit for the use of their own cars. To avoid exceeding the limit they were told to use public transport for non-urgent investigations.

Commander Michael

Gough, who imposed the restriction, said that cash limits on police expenditure had to be set in the same way as other public services.

Orpington was heading for an overspend. Economies had to be made but operational duties would not be affected nor would normal police patrols.

Mr Geoffrey McLean, assistant commissioner at Scotland Yard responsible for territorial operations, is to investigate the situation at Orpington.

Colleges seek cash parity

By Sarah Thompson, Education Reporter

Polytechnics and local authority colleges are to challenge universities over the allocation of funds.

College heads have put up with having less money per student than universities for many years and see a new cut of 1 per cent in their funding per student for 1988-89 as "the last straw".

Mr Kenneth Baker, Secretary of State for Education and Science, said this week that he would not countenance the colleges' proposed solution of cutting student numbers by 3,000.

However, in a letter to Mr Robert Jackson, Under Secretary of State with responsibility for higher education, Mr Baker has promised a thorough review.

The review is seen by the colleges and polytechnics, which produce half Britain's graduates, as a chance to press for parity with universities, even if this means forcing further cuts in the university sector. A degree student at a polytechnic costs the government £3,000. A university student is believed to cost at least 10 per cent more.

Mr John Bevan, secretary to the National Advisory Body on Public Sector Higher Education, said yesterday: "The fact is that we take in more students for the Government's money and give a better deal".

Proposals to form a new polytechnic by merging two colleges in East Anglia are being discussed by Essex and Cambridgeshire county councils. The Essex Institute of Higher Education in Chelmsford and the Cambridgeshire College of Arts and Technology in Cambridge are 40 miles apart.

Court plea on widows' fund lost

By Frances Gibb, Legal Affairs Correspondent

An unmarried Civil Servant lost an appeal in the European Court of Justice yesterday against a compulsory contribution to the Civil Service widows' fund.

The court ruled that individuals cannot rely on European equal pay or equal treatment directives to enforce equal treatment in pension schemes.

Mr George Newstead, a press officer at the Department of Transport, failed to uphold a claim against the department and the Treasury that the automatic deduction of 1.5 per cent of his gross salary, regardless of marital status, was discriminatory and a breach of the equal pay directive.

He complained that women Civil Servants in similar posts were not obliged to give up any of their gross salary.

However, the European Court of Justice in Luxembourg ruled that the department was entitled to deduct a sum from the pensions of all male employees, whether married or not, for the fund.

Under the scheme, the money is returned with compound interest at the rate of 4 per cent per annum when the employee resigns if he has not married while covered by the scheme.

Mr Newstead first brought his complaint before an industrial tribunal. It was dismissed and he appealed to the Employment Appeal Tribunal which referred it to the European Court.

Soap stars set the Christmas scene

By Lynda Mardia, Arts Correspondent

The BBC's unveiling of a £20 million Christmas package yesterday confirmed that television channels will depend heavily on "soap operas" in the battle for viewers.

The chimes of Big Ben will be heard on BBC 1 at midnight on December 31, when the New Year will be saluted by characters from *EastEnders* watching the famous clock on television.

This ingenious Hogmanay scene will come at the end of a second special edition of *EastEnders*. The first instalment follows the Queen's Speech on Christmas Day.

ITV has announced plans to combat the BBC's usual supremacy in the Christmas ratings with a *Coronation Street* special, to include the exit of the beleaguered Hilda Ogden, one of the programme's institutions.

Mr Bill Cotton, managing director of the BBC, said yesterday: "This is my last Christmas at the BBC and, looking across these schedules, undoubtedly the best".

The schedules contain 50 hours of new comedy and light entertainment during the fortnight and the first showing on British television of 14 films, including *Indiana Jones and the Temple of Doom*, *The Killing Fields*, *The Woman in Red*, *Broadway Danny Rose* and *Terms of Endearment*. There will also be seasons of *Fred Astaire* and *Greta Garbo* movies.

Mozart's *Die Entführung aus dem Serail* at the Royal Opera House, Covent Garden, will be seen on BBC 2 on New Year's Day and Glyndebourne

presents two Ravel works. Music programmes include Bernard Haitink conducting Mahler at an Amsterdam Christmas concert; *An Evening with Kiri Te Kanawa*; Yehudi Menuhin conducting Julian Lloyd Webber in the Elgar cello concerto and a second chance to see masterclasses given by the late Jacqueline Du Pré.

The Kirov Ballet joins Britain's Ballet of the 20th Century in *White Nights from Leningrad* and Rudolf Nureyev's new version of *Cinderella* will be seen on Boxing Day.

Dame Peggy Ashcroft and Julian Bream present Elizabethan poetry and music and Sir Richard Attenborough narrates a documentary on *Mother Teresa*.

A film by the Salvation Army featuring the conversion of three people to Christianity cannot be screened on television because it is "promotional", the Independent Broadcasting Authority announced yesterday.

For the *Love of God* was due to have been shown on ITV channels on Remembrance Sunday last month but it was withdrawn because prior approval had not been sought from the IBA.

The Salvation Army insisted the film did no more than convey the power of the Christian faith.

The IBA said the film contravened the principle that air time should not be given to programmes made by or commissioned by religious bodies about themselves.

Operation 'strike' by surgeon

A consultant surgeon is refusing to carry out operations because he claims patients are being put at risk by unsafe theatre facilities.

Mr John Hawkesford says he has to wheel operating instruments around Newcastle upon Tyne General Hospital and has had to leave the theatre during an operation to get other instruments a quarter of a mile away.

Mr Hawkesford, a consultant oral and facial surgeon, is worried about possible litigation for medical negligence if anything went wrong during an operation.

He said he has had to move specialist instruments from one theatre to another in a wheelchair as his operations were moved throughout the hospital.

The health authority said patients were not being affected by Mr Hawkesford's decision as other consultants were carrying out operations.

"We do have sympathy with the fact that his operation sessions are in different theatres and we are trying to do something about it."

Rare items break a downward trend

By Sarah Jane Checkland, Art Market Correspondent

Buyers in New York and London were left in no doubt yesterday that when superlative items come up, whether historic or aesthetic, records will be set.

A manuscript of Albert Einstein's theory of relativity yielded £633,224 (\$1.1 million) at Sotheby's sale in New York while Christie's jewellery auction near by totalled £6.7 million (\$12.3 million). The unpublished Einstein document is considered one of the most important scientific works of the century.

It sold for nearly double its estimate to an agent bidding on behalf of an unnamed private buyer.

Other historic documents selling at a premium included a notebook used by the composer Richard Strauss, with drafts for three works. It

SALEROOM

fetched £24,123, to an English dealer.

A heartrending letter from Catherine of Aragon to "The Most High and Powerful Lord, the Emperor and King, my Nephew", namely the Holy Roman Emperor Charles V, sold for £22,917 to a New York dealer.

The climax of Christie's jewellery sale was the collection of an American heiress, Caroline Ryan Foulke, who died last July.

Top lot was a marquise and pear-shaped diamond necklace made by Harry Winston for Mrs Foulke, a close friend. There were few dry eyes in the house when the elderly jeweller bought back the necklace for \$1.1 million (£604,396). Every item at Christie's was sold.

Meanwhile, at Christie's in

London, the manuscript collection of the American Estelle Doherty fetched £5.8 million, double its estimate.

There were five world record prices at Sotheby's post war and contemporary art sale in London yesterday. Much of the 24.5 per cent unsold material was because of the failure to sell a huge abstract by Asger Jorn.

The first record, and top price was that of £247,500 for a painting of chequered, recessionary space entitled "Composition" (le Reve) by Maria-Helena Vieira da Silva.

Other records, for their respective artists, included that £154,000 for an abstract by Jean Fautrier; and £121,000 for a skinny bronze figure by Germaine Richier.

At Sotheby's, prints did less well, with 37 per cent bought

in at the morning's sale, although some yielded good prices.

A lithograph from Marc Chagall's printed portfolio "Regards sur Paris", fetched the highest price of £45,100 (estimate £23,000 to £32,000), selling to the Japanese dealer Selbu, while the London dealer B Marks spent £38,500 on Henri Matisse's lithograph series, "Les Fleurs du Mal".

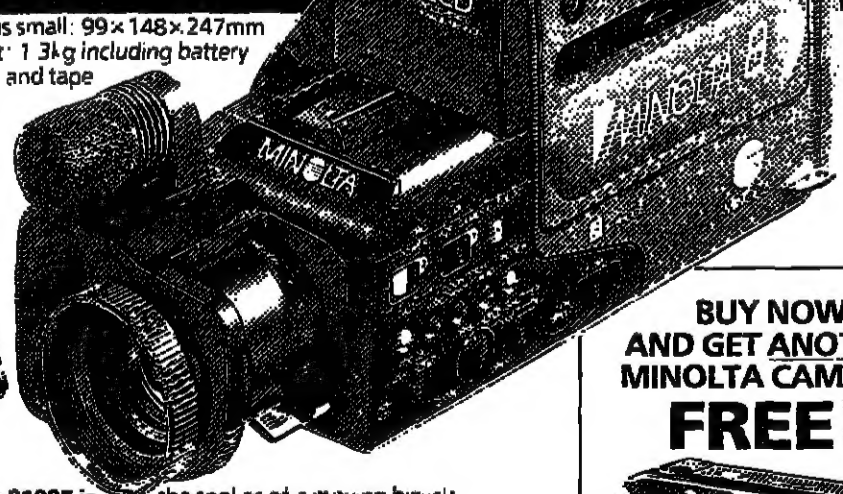
There were two substantial disappointments at Sotheby's illustrated and children's books sale, when two collections — of works by Kate Greenaway, and material relating to the tale of John Gilpin (the hero whose horse ran away with him) — were left unsold at £20,000 and £9,000 respectively.

A collection of memorabilia relating to Little Titch, the Victorian comedian famous for his big boots, and sent for auction by his daughter, sold to a German dealer for £6,050.

SMALLEST LIGHTEST LATEST

This small: 99x148x247mm
This light: 1.3kg including battery and tape

1988 MODEL
Limited stocks in the U.K.
available now!



The all new Minolta 8100E is the smallest and lightest video camcorder in its class, and yet amazingly has hi-tech features that until recently would only have been found on expensive and much larger professional equipment.

These sophisticated features not only make it supremely easy to use, but when you want to experiment, the 8100E is as creative as you are.

AUTOFOCUS. AUTO EXPOSURE.

Automatic systems take care of the focusing and light management, while for close-up action the 6x power zoom lens really makes the difference. This all adds up to perfectly focused and correctly exposed pictures, every time.

FAST ACTION!

The CCD image sensor and electronic fast shutter ensures virtually blur-free images when shooting fast action (freezing

the spokes of a moving bicycle wheel for example). And on playback superb effects are possible — freeze the image on screen (near perfect still frame without noise bars) — step through frame by frame to analyse the action — or select slow motion playback.

LOW LIGHT RECORDING

Low light (8 lux) recording and auto white balance help to achieve perfect results when shooting indoors for example. And when creativity demands, the new erase insert editing facility will allow you to insert your own titles for really professional results.

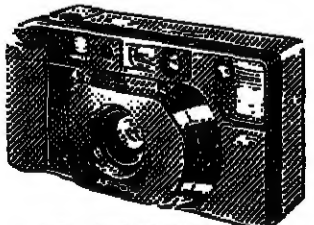
INSTANT PLAYBACK

When you've shot your pictures simply rewind and playback — either through the built-in adjustable viewfinder, or direct through your own T.V.

The smallest, lightest, latest — the new 8100E.

Minolta at their very best.

BUY NOW
AND GET ANOTHER
MINOLTA CAMERA—
FREE!



included in the price of the camcorder is a video cassette, one of the amazing Minolta 25-26 compact VHS look-alike video tapes.

- Two built-in lenses: 35mm tele-landscape, and groups and 50mm portraits — changeable by the touch of a button. Macro too!
- Autofocus, auto exposure, auto white balance and auto film winding.
- And to complete the picture, it comes with carrying case and strap, 2 x AA batteries, lithium battery and a cassette photo album.

All of this is yours for just £149 — with the convenient 12-month hire purchase plan. Hurry to Laskys or selected camera and video shops — this offer ends 31st December 1987.

The Minolta 8100E

£1,199

MINOLTA

BUY NOW AT LASKYS OR SELECTED CAMERA AND VIDEO SHOPS.

© Minolta (UK) Limited

December 3 1987

PARLIAMENT

British Steel sale preparations under way

The British Steel Corporation is to be privatized and the necessary legislation brought in during the present session of Parliament, both Houses were told.

The statement was made in the House of Lords by Lord Young of Grafton, Secretary of State for Trade and Industry and repeated in the Commons by Mr Kenneth Clarke, Minister of Trade and Industry.

Lord Young said: The corporation today announced its half year results for 1987-88. These show a bottom line profit of £190 million. This compares with £178 million for the whole of 1986-87. This is an impressive improvement in the corporation's performance.

This Government is committed to returning successful state industries

such as steel to the private sector as soon as possible. It is quite apparent that BSC has now reached the stage where it would benefit from a return to a fully commercial environment.

I am therefore pleased to announce that I am setting in hand the work necessary to privatize the corporation as soon as possible, subject to market conditions. Legislation will be required to turn the corporation into a private company. This will be introduced later in the current session.

In accordance with the previous commitments given by the Government, the corporation will continue with five integrated plants until August 1988. I have been reviewing this with the corporation in the light of the current market position. They will

require steel making at all five plants for a number of years.

Scottish MPs will be pleased to hear that the corporation will be putting out a statement today making clear that, subject to market conditions, there will continue to be a commercial requirement for steel making at Ravenscraig for at least the next seven years.

The corporation also expect that, in order to meet commercial considerations, there will be a similar requirement for plate rolling at Dalzell. This therefore gives assurance to Ravenscraig's iron and steel-making facilities for a considerable period - indeed for a period much longer than the three-year commitment that the Government have been able to give in each of the two previous

reviews in 1982 and 1985.

The corporation have also indicated that, even if they should wish at some stage, because of market conditions, to close their steel-making facilities in Ravenscraig, they would consider on a commercial basis any wholly private sector offer for those facilities as an alternative to closure.

There is clear surplus capacity in BSC as throughout Europe, in hot strip, BSC's strip mills are currently running at below 70 per cent of their potential capacity, which is among the lowest levels of utilization of strip mills anywhere in Europe. However, having reviewed the situation thoroughly, the corporation have decided on commercial grounds that all their present mills, including the Ravens-

craig mill, will continue to operate at least until 1989.

The Government's consistent aim has been to achieve a strong, competitive British steel industry capable of performing well against international competition. This is in the best interests of the workforce of British Steel and all their customers, and in particular of steel users in the rest of British industry.

The BSC have already achieved a quite remarkable recovery and are now one of the most successful steel makers in Western Europe. I believe that early privatization and full commercial freedom will enable the company and its workforce to be best placed to go on to further achievements and to secure a firmly based competitive industry with a long-term future.

Thatcher and Kinnock clash on nurses' pay

PRIME MINISTER

The Prime Minister again clashed with Mr Neil Kinnock, Leader of the Opposition, over nurses' pay at question time. She declined his request to take the "unusual step" of giving guidance to the nurses' pay review body.

The exchanges began when Mr Kinnock asked if, considering the shortage in specialist areas of nursing, she would give an undertaking that this time the Government would fund the whole of the pay award and any costs resulting from regrading.

Mrs Margaret Thatcher: The restructuring proposals are not yet ready to go before the review body. If they are agreed they will go the review body which did not exist at the time of the Labour Government.

When the proposals come from the review body, we shall consider them in the usual way and also the financial arrangements for any proposal that might be made.

Preparations for next year mean that, in the United Kingdom, there will be an increase in resources of the order of £1.1 billion to the NHS.

Mr Kinnock said that there were crises in the supply of nurses in many areas and health authorities had not got the money to afford to fund upgrading or any significant award.

Would the Prime Minister take the unusual step this year of

giving guidance to that pay body and ensuring that it made an award that really was money to pay nurses?

It would be both stupid and cruel to ask the health authorities to pay the nurses' award out of cuts and closures in hospital wards.

Mrs Thatcher: I will not prejudge either the evidence to the review body nor what they say. We will stand very much on our record on the health service: more than 64,000 more nurses.

In Mr Kinnock's own constituency the increase in the health service went up by 6 per cent in real terms over the whole term of the last Labour Government. It has gone up by 20 per cent under us.

Mr Kinnock asked if the Prime Minister did not yet realize that neither nurses nor patients were interested in the past? They were interested in the future (Conservative protest).

Jeering from the Tory benches was only further evidence that by going private they manifested total ignorance of what the nurses wanted.

Mrs Thatcher: The last thing nurses want is to go back under a Labour Government to have their pay cut.

Labour sceptical on Ravenscraig mill assurance

Labour MPs expressed scepticism about the future of the Ravenscraig steel plant in the wake of Mr Kenneth Clarke's statement in the Commons on the sale of British Steel.

Mr Brian Gould, chief Opposition spokesman on trade and industry, said that on a day when British Steel and the workforce deserved genuine congratulations, the minister [of Trade and Industry] was rewarding them with a statement which placed their future, quite unnecessarily, in jeopardy.

Did he not recognize that British Steel's success had been achieved under public ownership, indeed it was far more successful than privately owned manufacturing industry?

That success could not have been achieved without essential investment, funded by the public purse.

"Is this to be yet another example of the taxpayer making the investment but being denied the return, and another case of the taxpayer having to pay the bill and the City picking up the profit?"

It was exactly the wrong time to make the statement when in an EEC context the industry was operating in a state of economic confusion. What was the Government going to say in the prospect of public ownership? Would not the uncertainty jeopardize the position of prospective buyers?

Was this not another case of proceedings which were dogma driven and publicly carried through without reference to market conditions and without reference to the needs of the industry?

The statement added to the uncertainty, particularly in relation to Ravenscraig.

STEEL SALE

The offer of a guaranteed seven-year future was a hollow promise, depending as it did largely on so-called commercial considerations, for which the Government would no doubt disclaim any responsibility, and depending largely on the continuation of the hot strip mill, which had been given a guarantee of only three years.

"Can he not offer a better guarantee to Ravenscraig and its 3,000 workers than the waffle words contained in the statement?"

Was it the Government's intention to privatize British Steel as one entity, or was another inference to be drawn from the statement and how was this to be arranged, by flotation or by merger and if so with whom?

Mr Clarke said that British Steel had gone through a difficult time under public ownership and it had cost the taxpayers billions of pounds as the corporation had struggled to come to terms with the difficulties in the steel market.

"It is not as a result of public ownership that it has improved. It is as a result of the considerable efforts of the management and the workforce as they have adjusted to the sometimes painful changes that have brought the corporation to its present level of performance."

Having reached this position, British Steel would now have the flexibility of privatization and be free from the restrictions of Whitehall. It would be able to operate in the market place as a strong, efficient producer and with a good future on that basis.

On quotas, he said that the European Steel Council would be discussing what would follow the present quota regime, due to end on December 31 this year. The Government would be interested in an early return to free market conditions.

British Steel was now in a

strong position to take on competition and was commercially placed to take advantage of a return to the free market. That was another reason for seeking privatization as quickly as possible.

On Ravenscraig, he said that he suspected Mr Gould was politically disappointed that the news was so good. Subject to the market, and not to waffle words, there was going to be steel making at Ravenscraig for seven years. That ought to be a considerable reassurance to the workers there.

It was the Government's intention to float British Steel as a single entity which would be in the interests of the corporation and the nation's taxpayers.

Mr Kenneth Warren (Hastings and Rye, C) asked Mr Clarke to be aggressive in getting the European Council to roll back the quotas.

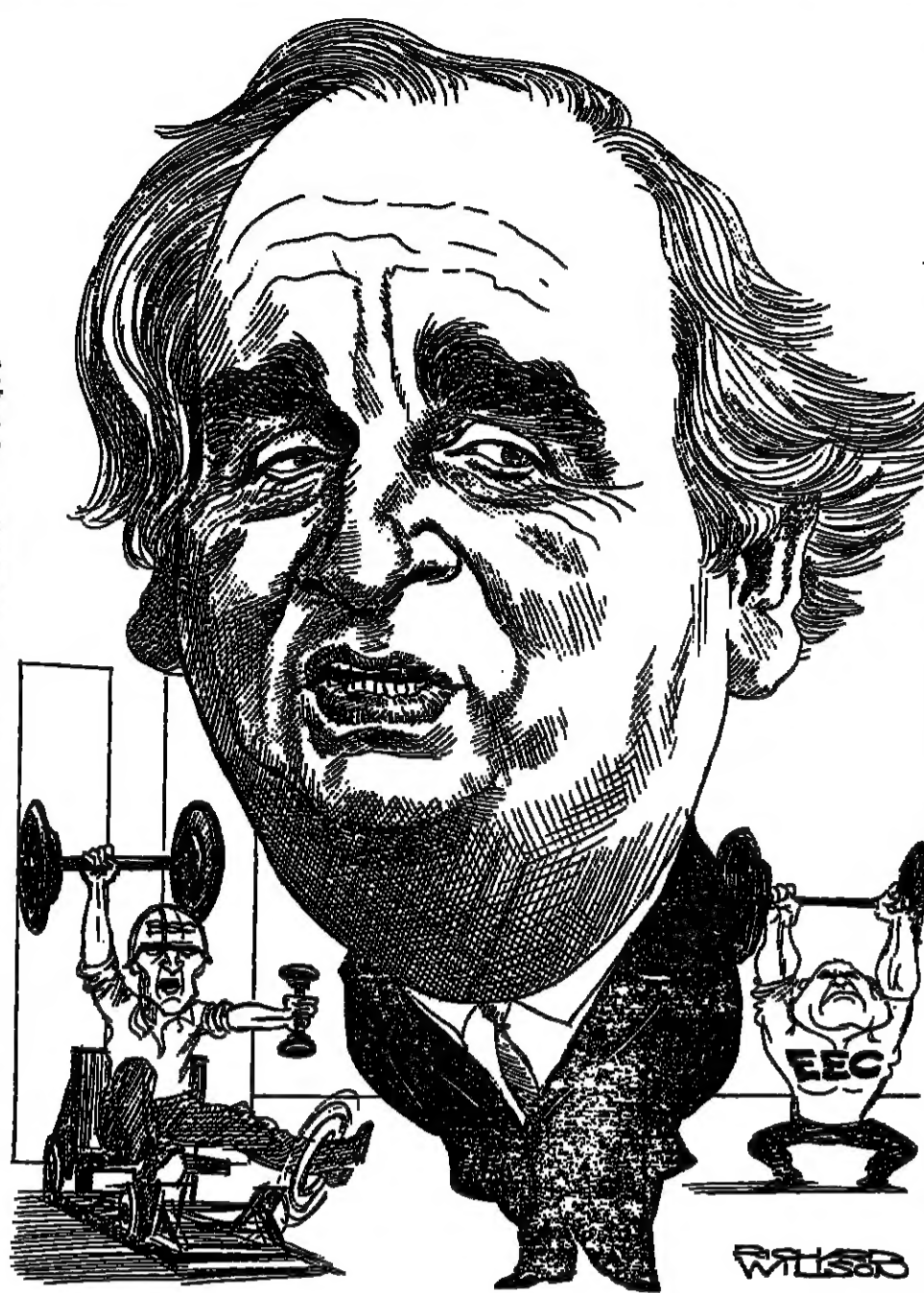
Mr Clarke: We intend to take a strong stance. The present quota is inhibiting British Steel from taking advantage of its competitive situation.

Mr Malcolm Bruce, Liberal spokesman on trade and industry, said that they must have assurance of the role of steel in the British economy would be secure and that there would be safeguards about the percentage of foreign ownership. He asked whether the workforce would be consulted and would have an opportunity to buy shares.

Mr Clarke said that they would consider whether there was a case for restoring foreign ownership. He was attracted by the idea of the workers having an opportunity to acquire a shareholding.

Mr Stanley Orme (Salford East, Lab) asked how much taxpayers' money had been invested since 1979.

Mr Clarke: We are trying to work out the total bill for losses in all the kinds of financial troubles incurred by the foolish decisions of the Labour Government. It will be several billion pounds.



Lord Young of Grafton: The Government's aim is a strong, competitive steel industry.

Later he said that it was clear that a flotation of British Steel as a single entity was by far the best course.

The serious problem of excess capacity in utilizing strip mills was damaging to efficiency and could not go on indefinitely. It was good news that, as a commercial case, BSC had decided to keep the strip mills until 1989, when they would decide what to do after that.

They wished to return to a

competitive export market in Europe. The quotas held them back from penetrating German, French, and other markets.

He said later that it was welcome for the way the matter was handled - that there had been no further reference to the Monopolies and Mergers Commission.

Mr Donald Dewar, chief Opposition spokesman on Scotland, suggested that the statement was

"a fraudulent front" when the reality would be more unpalatable for Ravenscraig which was now to be left to the profit motive.

Mr Clarke said that Mr Dewar could not possibly dismiss things like market conditions and the commercial judgement of businessmen when discussing the future of any manufacturing business. This would be an act of irresponsible folly.

Firmness pledge for Copenhagen

The Prime Minister told the House that she and the Foreign Secretary would show a resolute approach at the European Council summit in Copenhagen, for which she was departing that day.

Mr John Gummer (Ryedale, C) said that the Prime Minister took her to Copenhagen the good wishes of everyone on the Conservative side of the House. It was crucial that some sense was brought into the EEC budget.

Mrs Thatcher said that it would be a very difficult meeting, but it was vital that they addressed, and attempted to solve with determination, the question of surplus agricultural products, the question of sound financial discipline and that they maintained the UK's Fontainebleau statement which had served the country well.

Sir John Bigger-Davison (Epping Forest, C) said that the Prime Minister, in preparing her

EEC MEETING

efforts to ensure common sense in the EEC at Copenhagen, had the support of the whole country.

She should draw encouragement not only from the backing of public opinion but also from the support given by the West German people.

Mrs Thatcher said that it was vital that they tackled the question of agricultural subsidies by the use of stabilizers for each and every product.

The worst message that could come out of the summit meeting was that, once again, they were running away from the issue instead of tackling it.

She and Sir Geoffrey Howe would be resolute in their approach to the meeting and to their performance there.

Nelson touch, page 8

Channon worried about foreign owner for B-Cal

The Government's concern that British Caledonian Airways might pass into foreign control was based on the possibility that other countries might refuse to designate routes for that airline, Mr Paul Channon, Secretary of State for Transport, said during exchanges on the proposed deal between B-Cal and Scandinavian Airlines Systems (SAS).

He also suggested that there was a possibility that other unnecessary concessions might have to be made to foreign governments to secure designation for the airline.

He would be minded to revoke licences if a merger took place which led to effective control of B-Cal being no longer in United Kingdom hands.

Mr Peter Snape, an Opposition spokesman on transport, asked what shareholding in British Caledonian would be acceptable - 20 per cent, 25 per cent, or another figure up to 30 per cent?

What percentage of British Airways' shares were sold on foreign stock exchanges when

the airline was privatized and what percentage were now in non-British hands?

He sought an assurance that no final decision would be based on the "endless ambition and influence" of Lord King of Warrnambool (chairman of BA) or the rambling xenophobia of Mr Norman Tebbit.

Mr Channon said he could not answer in relation to exact shareholdings.

The Civil Aviation Authority had to inform him if it thought a British airline was no longer under effective United Kingdom control, but it could not do that until there had been a proposition.

If it did report to him in that way, he had power to revoke, or fail to revoke, licences.

"I can only say what I am minded to do. It is strongly in the public interest that I should say what I am minded to do."

"I would be minded to revoke the licences should a merger take place on those terms."

Mr Norman Tebbit (Ching-

TRANSPORT

ford, C), a former airline pilot, said there would be a wide welcome for the way the matter had been handled - that there had been no further reference to the Monopolies and Mergers Commission.

That would have caused further delay and uncertainty, which B-Cal would not have been able to withstand.

There would be an equally wide welcome that Mr Channon had made it clear the United Kingdom would not tolerate ownership or control by a foreign airline.

He wondered if the Labour Party favoured nationalization of a British airline by a Scandinavian airline.

Mr Channon said it would be a very serious matter if a British airline passed under foreign control because it would be open to a foreign government that was not satisfied that substantial ownership rested in

British hands to refuse to accept designation of the airline's routes.

Mr David Steel, leader of the Liberal Party, drew a distinction between control of a British airline and a minority stake, which was what SAS was proposing.

SAS was not wholly owned by three Scandinavian governments. It was a private-public mixed enterprise, as BP had been before privatization.

Mr Channon repeated that he had no powers to act unless the Civil Aviation Authority reported that it believed that effective control of B-Cal had passed out of UK hands. The points Mr Steel raised were matters for the CAA.

Mr Nicholas Soames (Crawley, C), whose constituency included Gatwick airport, referred to the seriousness of certain air service agreements being lost if ownership of an airline passed out of British hands.

Mr Channon said that a "hypothetical situation" where

a merger took place, in which B-Cal passed out of British hands, would be to the detriment of British civil aviation interests, if there were failure to designate, or they had to make concessions which would not have been necessary if the question of foreign control had not arisen.

Mr Barry Jones (Alyn and Deeside, Lab) asked if there was likely to be any effect on orders by B-Cal for Airbus?

Mr Channon said that must be a matter for B-Cal. He did not know what the outcome of the negotiations would be.

Mr Roger Mase (Faversham, C) said that in relation to the SAS offer, a proposed partnership situation could arise where effective management and control remained in the United Kingdom and at the same time they would remain an effective competitor.

Mr Channon said that at this stage CAA could only give an informal indication as to whether or not the proposed merger would or would not result in effective control pass-

ing out of British hands. If the CAA were to decide that was the case, as Secretary of State for Transport he would have to consider whether to direct the revocation of the licence. He had no locus in deciding whether effective control would pass out of United Kingdom hands.

The Government was anxious to encourage competition with a multi-airline industry, with a variety of airlines serving passenger needs.

Mr John Wilkinson (Ruislip, Northwood, C) said that for too long there had been an anti-competitive policy among European airlines. There was a need to break up that cosy cartel which was prejudicial to the interests of the travelling public.

Mr Channon said he agreed that there was a great deal to be done to improve the conditions of airline competition in Europe and in the world in general. A modest step forward could be taken next week when the Community Transport Council was to debate an airline package.

Commons select committees

Scots the only exception to settlement

By Martin Fletcher
Political Reporter

All but one of the Commons all-party select committees were finally re-established early yesterday, nearly six months after the general election, amid furious protests from some aggrieved MPs.

One Tory, Mr Peter Fry, MP for Wellingborough, announced that he would refuse to accept the party whip for a period to express disgust at the way his whips had interfered in the composition of the supposedly independent backbench watchdog committees.

The Unionist MP, the Rev Ian Paisley, kept MPs trooping through the division lobbies to vote on the membership of each individual committee and then in protest at Unionist representation in general, and his exclusion from the agriculture select committee in particular.

Scottish Labour MPs were furious that the one committee not set up was the Scottish affairs committee, which has now become a source of deep embarrassment to the Government.



Mr Peter Fry: Refusing to accept whip

Because it has only five Scottish backbenchers, the Government was forced to reduce the thirteen-member committee to nine to maintain a majority. It has since emerged that one of those five, Mr Bill Walker, was nominated by his whips without his permission and is refusing to serve. Others are plotting to

serve only long enough to vote that the committee never meets.

Mr Frank Dobson, shadow Leader of the House, said that all behind-the-scenes co-operation between the Opposition and the Government would be withdrawn if the Scottish committee was not set up by, or soon after, Christmas.

Once appointed, the new committee chairmen are expected to begin work on a report demanding a change in Commons procedures to make it impossible for there ever again to be such a delay.

The delay, by no means unwelcome to the Government, has meant that Whitehall departments have escaped detailed scrutiny of their work for at least a tenth of the present Parliament, and about £750,000 has been spent on the salaries and associated costs of the 84 staff who service the committees for a long period of enforced idleness.

Some of the delay was unavoidable, and caused by the post-election need to get such things as the Shadow Cabinet elections out of the way.

More recently, however, the committees have been blocked by Unionist MPs demanding greater representation and by a few Tory MPs, led by Mr Nicholas Winterbottom, who have been incensed at the whips' interference in the formation of the committees.

In particular, both main parties' whips conspired to try to make Mrs Audrey Wise, a left-winger only just returned to Parliament after an eight-year absence, chairman of the social services committee.

The Tory whips were also trying to install Sir Anthony Grant, a former minister, as chairman of the trade and industry committee in place of Mr Kenneth Warren, who had presided over some critical reports in the last Parliament.

Both attempts failed in the face of revolts by the Tory members on the two committees.

Mr Fry said: "The rights of backbenchers have been abused. I shall now vote how I choose, or not vote at all as the case may be. I am not interested in receiving the whip."

Parliament next week

The main business in the House of Commons next week will be: Monday: Health and Medicines Bill, second reading. Tuesday: Motion for the Christmas recess. Wednesday: Motion on Rate-Support Grant Report (England).

Thursday: Arms Control and Disarmament (Privileges and Immunities) Bill, remaining stages. Friday: Private member's Bill: Scotch Whisky Bill, second reading.

The main business in the House of Lords will be: Monday: Debate on social security within the EEC. Tuesday: Copyright, Designs and Patents Bill, committee. Wednesday: Debate on disarmament and East-West relations. Thursday: Copyright, Designs and Patents Bill, committee.

Parliament today Commons (9.30): Private member's motion on Cyprus.

Christmas recess MPs will rise for the Christmas recess on Friday, December 18, and return on January 11. The Lords will rise from December 17 to January 11.

Left wing's control of town halls 'threat to sovereignty'

By Nicholas Wood, Political Correspondent

Left-wing Labour control of town halls represents a challenge to national sovereignty, according to a paper from the Centre for Policy Studies, the influential Conservative think tank, published today.

Professor David Regan, Professor of Local Government at Nottingham University, argues that the party's activists have abandoned their reformist Fabian traditions and embraced a municipal socialism rooted in Marxism and guild socialism.

As has been seen in places such as Lambeth and Liverpool, this "pernicious" new doctrine accepts flouting or evasion of the law, welcomes intervention in defence and other non-local governmental matters, promotes the politicization of career officials and emphasizes relentless and unscrupulous social engineering, he writes.

"Unlike the Fabians, today's left do not accept that local government is legitimately subordinate to the centre. Local government is seen as possessing equal if not superior valid-

ity. The left thus represents a sometimes implicit, sometimes explicit, challenge to national sovereignty.

"The new Labour doctrine of local government seeks to elevate local government to a role and a status it has never enjoyed (in modern times) and can never enjoy within our present constitutional arrangements. All adherents of the new doctrine are inevitably working towards the destruction of these arrangements even where they do not consciously seek to do so."

Professor Regan acknowledges that some left-wing local authority leaders have displayed a "new realism" since the Conservative election victory, but suggests their conversion may be only skin deep.

He maintains that a large proportion of Labour councillors, in London, the urban centres of the Midlands and the North and in Scotland are proponents of the new doctrine.

He urges ministers to take further steps to curb the "inabilities and malapropisms" of the

town hall left, which, he says, in some cases have produced an atmosphere of menace and intimidation.

Welcoming new laws such as the poll tax, designed to produce greater accountability, and the Bill preventing councils from imposing contract compliance on firms and including partisan political campaigning, he writes that they will need to be drawn more tightly.

He also advocates boosting public interest in the activities of local authorities by replacing their obscure committee structure with a more personalized and visible system.

Professor Regan's paper, the first of three CPS local government initiatives this winter, will be followed by one written by Mr Nicholas Ridley, Secretary of State for the Environment, entitled *The Right Town Hall: Accountable Local Government*.

The Local Left and its National Pretensions by David Regan (Centre for Policy Studies, 8 Wilfred Street, London SW1E 6PL, £4.90).

100-11-66 1.50

Opposition grows as plans for poll tax are unveiled

By Richard Ford, Political Correspondent

A direct challenge to the whole basis of the controversial poll tax is released today by the Chartered Institute of Public Finance and Accountancy.

It comes as the Government publishes its Bill abolishing domestic rates and replacing them with the flat rate community charge.

The most contentious Government proposal for this session of Parliament comes under sustained criticism for creating additional bureaucracy, being difficult to collect and failing to command widespread public consent.

Conservative backbench critics of Mr Nicholas Ridley's plans to scrap rates, which will be unveiled this morning, will seize on the institute's report which proposes a graduated community charge, as a realistic alternative around which to rally opposition as the Bill passes through Parliament.

Sir George Young, a former

junior minister at the Department of the Environment, who favours the graduated poll tax, said the report by the institute should encourage the Government to re-examine its plan. He said of the report: "They have sunk the poll tax flagship plan just below the water line."

The report recommends a graduated community charge based only on people who pay income tax and argues that the Government would have a much better chance of collecting local tax in a system where all those to be taxed had an income rather than under the legislation where many will not.

It attacks the bureaucracy involved in government plans saying it would be easier to collect a graduated charge using existing Inland Revenue records. "The patent absurdity of running a bureaucracy to collect national

taxation in order to hand it out via another bureaucracy to individuals with no income in order that they may pay part of their local government tax (as is proposed for the Government's system) would be avoided", says the report.

"Information about residence and income bands is already held by the Inland Revenue and could easily be improved to the point where administration of a graduated charge would be easier and cheaper than the flat rate version."

The report says that a graduated scheme would command greater public confidence and would fit in with Government objectives for reforming local government and making it more accountable.

But the report is sceptical of the durability of the government plan saying: "In the end, however, choices about heroic

political and financial reforms must be taken by politicians on the basis of their aptness and durability of the system proposed."

It says savings in the cost of collecting would result from adoption of the graduated charge. "The Government's community charge system is expected to cost more than twice as much to collect as domestic rates, even though the yield would be unchanged."

"A graduated community charge would radically cut administration costs: computer based information about the residence and income band of each individual. The task of billing and collection from such a group of income earners should be as easy as collecting domestic rates."

Under a graduated scheme the well off would be protected from authorities which wished to load the tax burden on to them as the Government could decide on a maximum and minimum charge for top and bottom income bands.

The report shows that under a progressive graduated charge a married couple with two children living in Buckinghamshire and earning £15,100 a year would pay £335, but £412 under the Government's community charge plans and a couple earning £32,400 would pay £1,339 compared with £412.

But the proposals will come under attack from ministers, anxious to halt any rebellion among backbenchers. They will argue that the proposals are a local income tax under another guise.

Meanwhile the Labour Party accused the Government of "deliberate deception" in issuing poll tax figures for local authorities and predicted that figures would be much higher when it was introduced in 1990.

Royal Christmas cheer



The Princess of Wales yesterday made her Christmas visit to the Hospital for Sick Children, Great Ormond Street, London, and helped Paula Dorech, aged three, unwrap a clockwork doll, a present from Father Christmas, the comedian, Jimmy Tarbuck. The Princess is patron of the hospital's £30 million redevelopment appeal.

Support for unions 'highest in 30 years'

By Tim Jones

Trade unions are more popular than at any time in the past 30 years, according to research carried out for the TUC.

Members of the organization's review body, established to examine how the movement can halt a fall in membership, have been told that 71 per cent of the population now regard trade unions as "a good thing".

Faced with further government legislation in the form of a new employment Bill in the new year, which the TUC has condemned as a "scab charter", the findings will give comfort to the review body which is charged with ensuring the survival of unions.

It was established in recognition of the fact that the movement, which is in decline, is also deeply divided by internal divisions, notably over the issue of single union no-strike deals.

The review body must find an acceptable compromise between the hard left who see no dishonour in confrontation and the modernists who see no shame in co-operating fully with management if they secure the right benefits.

Mr Norman Willis, general secretary of the TUC, has acknowledged there are considerable difficulties in organizing membership drives in new towns and on new industrial estates.

Eighty-eight per cent of union members said they regarded unions as essential to protect their interests.

The research showed that while wages and conditions were the most widely quoted advantage of joining a union, "having to follow union policy" was the most widely quoted disadvantage.

It showed that women had a lower identification with unions.

Revenue breakdown feared

By David Walker, Public Administration Correspondent

A private meeting of local authority chief executives has been convened by Sir Terry Heiser, permanent secretary at the Department of the Environment, to advise on how to avoid administrative breakdowns in Labour-controlled London boroughs in the lead up to the community charge.

Sir Terry is said to be anxious about the capacity of certain London boroughs to absorb the unprecedented volume of legislation affecting their finances and services, including a squeeze on spending.

He is holding talks with the chief officials of the national local authority associations and the London Boroughs Association, including Sir Peter Newsam, secretary of

the Association of County Councils and formerly chief officer of the Inner London Education Authority.

However, Mr John MacDonnell, chief officer of the Labour-dominated Association of London Authorities, has not been invited to attend.

The Department of the Environment is concerned at the reaction of Hackney, Lambeth and Southwark councils. It is considered that Islington council has become administratively sound under Mrs Margaret Hodge, the Labour leader.

There is concern that some boroughs will not be ready to collect the poll tax when it is introduced in 1990. The consequent loss of revenue could be disastrous for services.

The District Auditor is considering bringing a court case against Southwark Labour councillors on the grounds that they wilfully lost public money when they delayed setting a rate in 1985. Such action could lead to their disqualification.

The Government is planning legislation, possibly late next year, to redefine the duties of local authority officials, especially treasurers, making them responsible for council spending.

Mr Nicholas Ridley, Secretary of State for the Environment, said yesterday that future legislation would implement some of the recommendations of a report by a committee led by Mr David Widdicombe, QC, on the conduct of council business.

Tax haven faces union siege

By Ian Smith

Millionaires living in the tax haven of the Isle of Man face a bleak Christmas as the worst industrial dispute in the island's history threatens supplies.

Pickets have blocked deliveries of beer brewed on the island while seamen have shown solidarity by returning to the mainland with unloaded supplies. Dockers, gas, electricity and oil workers have all threatened to join the dispute involving the Transport and General Workers' Union.

"Unless the other side give way it is going to be a miserable Christmas", Mr Bernard Moffatt, a union official on the island, said.

The confrontation started on November 4 when Mr Gerry Galbraith, aged 23, a waiter, was given one week's verbal notice by the management of the Palace Hotel in Douglas for alleged disruptive behaviour. The hotel claims that he joined the union two hours later and, from the moment he received written confirmation of his dismissal

on November 5, the dispute snowballed.

Mr Galbraith started a lone picket outside the hotel and was joined by colleagues. Workers at Isle of Man Breweries then refused to deliver supplies to the Castletown Golf Links Hotel, which is under the same ownership as the Palace Hotel.

Mr Moffatt claimed that the Government was backing the hotel in an attempt to prevent the union gaining a foothold on the island.

MPs' attack outdated, BBC says

By Richard Evans, Media Editor

Parliamentary criticism of BBC External Services is two months out of date and no longer applicable, it was disclosed yesterday.

In a report published on Wednesday, the public accounts committee criticized the External Services for lack of financial accountability and in particular its reluctance to open its books to the National Audit Office.

The committee said it could not emphasize too strongly the need for direct accountability

to Parliament through the audit of the Comptroller and Auditor General.

The BBC had agreed in October to such accountability, including giving the National Audit Office access to its books. Corporation officials yesterday expressed surprise at the committee's apparent ignorance.

The BBC confirmed yesterday that the corporation had already reached agreement on outstanding points involving finance.

"The BBC accepts the committee's view that such accountability to Parliament is entirely consistent with the BBC's management responsibilities under the royal charter."

"We welcome the 'unequivocal assurances' in the report of the committee that the Treasury, the Foreign Office and the Comptroller and Auditor General would make no attempt to infringe the editorial independence of the External Services."

Crew relatives to claim over loss of ship

Relatives of 42 seamen who died when the bulk carrier Derbyshire sank off the coast of Japan seven years ago will be able to sue the ship's owners for compensation.

Five law lords yesterday allowed an appeal by relatives on a preliminary point of law.

The family of the third engineer, Mr Leo Colman, is bringing a test action against Bibby Tankers.

Law Report, page 36

Fines over shares issue

Two men were fined yesterday at Bow Street Magistrates' Court, central London, after they admitted making multiple applications for shares in Britoil.

Albert Aung, aged 42, a former solicitor, of Hollycroft Avenue, Hampstead, north-west London, was fined £5,000. Roger Holmes, a former shipping clerk, of Beatrice Avenue, Norbury, south London, was fined £2,700.

Parents to sue over jail death

The parents of John Ryan, who died from dehydration in the hospital wing of Winson Green Prison, Birmingham, said yesterday they would sue the Home Office after an inquest jury decided his death was caused by lack of care.

Ryan, aged 24, from Whobery, Coventry, lost nearly 20lb in jail.

Cleaner cars

Tougher exhaust emission standards for large cars and strict rules for those with small and medium-sized engines were announced by the Government yesterday. The changes, to harmonize with European Community rules, will be introduced in the early 1990s.

Jail windfall

Philip Brennan, aged 19, of Preston, learnt on Monday that he had won £80,000, a luxurious car and a Caribbean holiday in a Littlewoods Pools competition, two days before he was jailed for assault.

Tree damage

British forests are beginning to show damage similar to that linked to acid rain and air pollution on the Continent, a Forestry Commission survey indicates.

We wish the people of Ethiopia would stop coming to us for food.



We need to take the food to their villages instead.

This year the rains have failed again, ruining the harvest, and people are already abandoning their homes in search of food.

We have to stop them coming to

refugee camps for help because, once they leave their villages, next year's crop won't even get planted.

Which means that their chances of becoming self-sufficient again will be remote indeed.

Whilst the long-term projects we

fund are continuing, immediate help is desperately needed.

Please send us as much as you can right now, to help pay for food, medical supplies and, most importantly, the trucks and planes to get them to where they are needed most.

Ethiopian Famine Appeal, Rm ETA, PO Box 999, London EC2R 7ET. I enclose £

Or telephone 01-200 1000 to donate by credit card until 9th December. Donations can also be made through banks and post offices.

*Access/American Express/Diners Club/Barclaycard/Visa. (Please delete as applicable.)

£

Name Address

Postcode

(To save costs please enclose ssc if receipt required.)

for the Ethiopian Famine Appeal. Or debit my credit card No.

DISASTERS

EMERGENCY

COMMITTEE

BRITISH RED CROSS • CAFOD • CHRISTIAN AID • OXFAM • SAVE THE CHILDREN

From the EXPERT who taught millions how to garden...



CLOSING DOWN AUCTION
END OF LEASE SALE
MAYFAIR CARPET
OF BOND STREET

REGRET TO ANNOUNCE SALE OF ENTIRE STOCK BY AUCTION INCLUDING

RUGS, CARPETS, RUNNERS

Part will be sold on Sunday 6th December Time 3.30 pm at the Charter II Suite, The Waldorf Hotel, Aldwych, London WC2B 4DD.

TEL: 01-836 2400 AUCTIONEER

FOR FURTHER INFORMATION PLEASE CONTACT MR. JACK FRANCES AN EX-DIRECTOR OF SOTHEBY'S MAYFAIR CARPET GALLERY TEL: 01-493 0126

VIEWING TIME - 10am to 2.30pm
AUCTION TIME - 3.30pm
precisely

Payments by cash & cheques, and all major credit cards accepted.

Football hooligans lead international violence conspiracy

By Ian Smith

British football hooligans are training their continental counterparts in terrace violence, according to researchers at Leuven University, near Brussels.

Right-wing extremists held responsible for numerous football disturbances in Britain are believed to have established a network of sympathizers in France, Belgium, West Germany and the Netherlands.

According to the researchers, the groups meet at international matches, select vulnerable targets and meet at grounds before the kick-off to plan strategies. British youths hosted visits by foreign football hooligans and took them to matches to demonstrate confrontational tactics.

The British hooligans have been identified as attaching themselves to the Tottenham Hotspur, West Ham, Chelsea, Nottingham Forest, Aston Villa and Manchester United clubs.

The academics at Leuven University have collected

photographs and written proof of close ties between international football hooligans. They were asked to carry out the investigation after the Heysel Stadium disaster in which 39 people died.

Their findings are being examined by the Belgian home affairs department who are to make a series of recommendations later this month on how best to combat the menace. Copies of their report will be sent to Mr Douglas Hurd, Home Secretary, and Mr Colin Moynihan, Minister for Sport.

The Belgian embassy in London said yesterday: "We are deeply disturbed by the report which points to a highly organized gang of thugs intent on destroying the game."

"Whether these people were in any way responsible for the tragedy at Heysel we do not know. What is certain is that their main aim is to organize violence whenever possible and that is what we have to do our best to prevent."

Mr Kris van Limbergen, a

researcher at the university, said he has copies of letters from Belgian supporters to Chelsea and West Ham fans asking for help in fighting rival groups at specific matches. He also held photographs of Belgian youths making Nazi-style salutes at English grounds.

Letters seized by the police contained numerous neo-Nazi slogans and clearly demonstrated support for extreme right-wing groups. "English hooligans have been making friends in Belgium and all over Europe at international matches to plan what trouble they can cause and I believe this is what helps bring about the situation at Heysel," Mr van Limbergen said.

"We know that Belgian football supporters are staying at the homes of Chelsea and West Ham fans and attending matches in England to learn tactics on football hooliganism."

The Football League and Football Association will also receive copies of the report.

Express travel for BR's regions

By Rodney Cowton
Transport Correspondent

British Rail's provincial passenger train services are to be improved with new express services.

Starting in May the journey from Blackpool to Ipswich will be cut by 100 minutes and from Birmingham to Norwich from 4 hours 15 minutes to 3 hours 30 minutes.

Those improvements, announced yesterday, will result from the introduction of 75mph Super Sprinter trains with rapid acceleration.

They will provide an hourly service on new routes between North-west England and East Anglia, via the East Midlands. They will also operate from Cardiff to Birmingham via Worcester and Cardiff from north Wales.

Services will be improved further in May 1989, when Class 158 trains are introduced. These 90mph air-conditioned trains are expected to transform long distance services in Scotland and set new standards of comfort.

British Rail's provincial sector operates all passenger services except those run by Network SouthEast and InterCity.

Mr Sidney Newey, the new director, said he expected its express services to match InterCity's standards of frequency, comfort and reliability. However, provincial express services will not have first class accommodation or restaurant cars, only a trolley service.

Mr Newey said the frequency of services would be increased by operating more, but smaller, trains, and he hoped that the express services would attract business travellers.

Arch to bridge cultures



Two cultures with different customs will be linked today by a pair of scissors and a newly minted penny. In a cloak decorated with Ching dynasty gold filigree, Soaia (Abundant Love) Gar-en Tang will present the Duke of Edinburgh with the scissors to cut the ribbon and officially open the Imperial Archway in Manchester's Chinatown. The Duke will then

hand Soaia, aged eight (beside the archway above), a new penny. Just as the green and red archway signifies Chinese peace and harmony so the coin fulfils an old custom that whoever hands over any sharp instrument must be paid to avoid severing a friendship.

Photograph: Barry Greenwood

Quangos are a hard breed to put down

By David Walker
Public Administration Correspondent

Quangos are showing a remarkable capacity to survive repeated attempts by the politicians to kill them off.

According to the Government's annual survey of quasi-non-governmental organizations, published yesterday, 66 have been set up in 1987, with the Ministry of Agriculture leading the way at 28.

Among other departments the Scottish Office, the Ministry of Defence and the Office of Arts and Libraries have been notable patrons of quangos.

The Ministry of Agriculture certainly has some quaint bodies under its wing. Its quangos include the Banana Trade Advisory Committee (which costs £3,000 a year to run), the Sugar Beet Research and Education Committee and the Consultative Panel on Badgers and Tuberculosis.

The Government said yesterday that quangos were under control. Mr Richard Luce, Minister of State in the Privy Council Office, said in total there were 15 fewer quangos in April this year than in 1986 and altogether 524 fewer than in 1979.

The current total stands at 1,643.

According to the survey they range from the Administration of Radioactive Substances Advisory Committee to the British Hallmarking Council.

Others include the Consultative Committee on Freshwater Fisheries in Scotland, the Welsh Pharmaceutical Committee and finally the YIS Certification Board. Public Bodies (Stationery Office, £2).

Five breath test failures in 35 days

By Ian Smith

Legislation to impound the licence of drivers who fail breath tests was called for yesterday after an executive pleaded guilty to five offences of drink-driving, two committed on the same day and all happening within 35 days.

The demand, by Action on Alcohol Abuse, came after the appearance at Hawarden Magistrates' Court in Mold of Dennis Maloney, aged 48, a

construction company executive. Magistrates ordered that he be held in custody at Risley Remand Centre in Warrington until Christmas eve for psychiatric and social reports.

When police first stopped Maloney in West Lane, Ewloe, Deeside, he was found to have a Lion Intoximeter machine reading of 122 micrograms, more than three times the

allowed limit of 35 micrograms.

Subsequently he was stopped four times in November at Rhyl, Chester, Bangor and Holyhead where readings of 84, 93, 109 and 117 were recorded.

The last two offences happened on the same day. Mr Maloney was first apprehended at 12.30am then again at 11.30pm that night.

Dixons CHRISTMAS DEALS YOU JUST CAN'T BEAT

EXCLUSIVE AMIGA 500 PACKAGE

INCLUDES:

- ✓ Amiga 500 computer complete with 3½" disk drive and mouse.
- ✓ "The Very First" tutorial software to get you up and running.
- ✓ "Textcraft" wordprocessing software.
- ✓ "Deluxe Paint" software to create dazzling graphics.
- ✓ Modulator to link your Amiga to your TV

PLUS FREE 2 exciting games - "Spaceranger" and "Feud"

"... It all adds up to a formidable system which is clearly better than anything else at the price" POPULAR COMPUTER WEEKLY 22-29 MAY 1987

Dixons Deal

£499 inc. VAT

No Deposit Instant Credit. ONLY £21 MTHLY

POWERFUL FEATURES

- 3½" disk drive the latest storage technology.
- Multitask a deskful of different jobs simultaneously.
- Stunning 3D graphics power capability.
- Professional quality 4-channel stereo sound system.
- Arcade quality games technology.

AMSTRAD PC1640 PRINTER PACKAGE

UP TO £150 OFF BUSINESS SOFTWARE. Ask for details

SAVE £70

AMSTRAD PC1640 Twin-Drive with Mono Monitor

PLUS SEIKOSHA SP1200 Dot Matrix Printer

£728 ex VAT (£837.20 inc. VAT)

AMSTRAD PC1640 - Colour Monitor - Seikosha Printer - SAVE £70 TSSP £1098 ex VAT (£1287.20 inc. VAT)

AMSTRAD PCW 9512 WORD PROCESSOR

PCW9512 Word processing system with floppy disk drive and mono monitor and daisy-wheel printer.

£499 ex VAT (£573.85 inc. VAT)

No Deposit Instant Credit. ONLY £24 MONTHLY

PCW 9512 Personal Computing Word Processing System

512K RAM, 3½" disk drive, dual mode printer. WPS £499 ex VAT (£573.85 inc. VAT)

LOWEST PRICE EVER! **£399** ex VAT (£466.85 inc. VAT)

No Deposit Instant Credit. ONLY £20 MONTHLY

Z 88 PORTABLE COMPUTER

Sensational new ultralight portable computer that lets you work anywhere

Built-in software includes Word Processor, Spreadsheet, Basic and Database

Desktop functions include Clock, Calendar, Calculator, Alarm and Diary.

£249 ex VAT (£286.35 inc. VAT)

No Deposit Instant Credit. ONLY £12 MONTHLY

PERSONAL COMPUTING THE COMPLETE SERVICE

Dixons PC DISKS Complete with flip-top case 5¼" - 10 pack for PC 1512/1640. **£9.99** inc. VAT

3" - 5 pack for Amstrad PCW 8256/9512/9512. **£14.99** inc. VAT

PC SUPPORT SBSG cover unlimited helpline calls on hardware and software problems with FREE "Getting Started" disk. **£39** ex VAT (£44.85 inc. VAT)

DIXONS YOU JUST CAN'T BEAT US

Offers available at all Dixons branches. Specialist help and advice for businesses. At Dixons Business Centres. Phone 01-200 0200. FOR DETAILS OF YOUR NEAREST BUSINESS CENTRE

AFTER SALES SERVICE. LOWEST PRICES GUARANTEED. PURCHASE EXCHANGE POLICY. ALL PRODUCT GUARANTEE. ASK FOR DETAILS

Dixons CARD £1500 INSTANT CREDIT

Barclays Bank PLC

announces that on and after 14th December, 1987 the interest rate applicable to overdrafts that have arisen without prior arrangement will increase from 12% over Barclays Bank Base Rate to 15% over Barclays Bank Base Rate.

BARCLAYS

Reg. Office: 54 Lombard Street, EC3P 3AH. Reg. No. M26167.

John & Co. Ltd

WORLD ROUNDUP

Crash jet woman remains silent

Manama, Bahrain (AP) — An unidentified woman, believed linked to the crash of a Korean Air jet with 115 people on board, was yesterday said to be recovering here from a dose of poison, but refused to talk to South Korean and Japanese diplomats who tried to question her.

The woman and a male companion, also unidentified, swallowed poison while waiting to be questioned by airport immigration officials on Tuesday. The man later died. The pair, who are believed to have had North Korean connections, travelled on fake passports and left the Seoul-bound plane at Abu Dhabi.

● **JOHANNESBURG:** A tape-recording exists of the last 15 minutes of conversation on board the South African Airways jumbo jet which crashed into the Indian Ocean last Saturday with the loss of 160 lives, the airline said yesterday (Ray Kennedy writes). But the airline said the tape would not be released, as an official inquiry is pending. This was disputed by legal experts here.

Vanunu's UN plea defence on loan

Jerusalem (Reuters) — Mr Mordchai Vanunu, the former nuclear technician, told a closed court here yesterday that he leaked Israeli atomic secrets to *The Sunday Times* for the benefit of the Jewish state, lawyers said.

His attorney, Mr Avigdor Feldman, said Mr Vanunu told the witness stand in two days of testimony to defend himself against treason and espionage charges before the three-judge court. Mr Vanunu, aged 33, was spirited back to Israel last year after telling the newspaper in Britain that Israel had been producing nuclear warheads for two decades.

Mr Uzi Hasson, the state prosecutor, said outside the court that "he (Vanunu) claimed he did what he did for ideological reasons".

Sikh leader arrested

Chandigarh (Reuters) — Police detained the head of the Sikh religion in Punjab yesterday and banned an anti-government march he was to have led on Delhi. About 100 police surrounded the home of the high priest, Darshan Singh, near Chandigarh and prevented him leaving. The Punjab police chief, Mr Julio Ribeiro, said the march had been stopped "to prevent large-scale trouble in Delhi". Police feared that the march would spark clashes between Sikhs and Hindus. Sikh leaders, however, said that the protest would go ahead despite the police ban.

Chilean released Bukharin appeal

Santiago — A Chilean Army officer, kidnapped on September 1 by the Manuel Rodríguez Patriotic Front, returned here yesterday after being freed in São Paulo, Brazil, on Wednesday night (Lake Segar writes).

The group, which opposes the military government of President Pinochet, seized Lieutenant-Colonel Carlos Carreño in Santiago. His release came after negotiations between his family and the Front, with a Catholic priest as mediator. Last week, with more than £31,000 worth of goods being delivered to poor communities.

Police seize leaflets

Johannesburg — South African police yesterday raided the headquarters here of the South African Council of Churches and the anti-government United Democratic Front to seize UDF leaflets calling for a "people's Christmas against the state of emergency" (Ray Kennedy writes).

The UDF began distributing thousands of the leaflets on Wednesday. A police general said yesterday that they "may have security implications". Police headquarters in Pretoria said that the commissioner of the Witwatersrand division had decided that distribution of the leaflets was "not conducive" to ending the 18-month state of emergency.

I was surprised at how rarely next week's Reagan-Gorbachov summit was raised in discussion as I travelled around the United States last month. When I left a week ago there was none of the excited anticipation that might have been expected.

Perhaps that was because informed political and economic opinion was preoccupied by the budget deficit. But I am sure there were other reasons as well.

The Republican right has misgivings about this meeting because it is dubious about disarmament deals with the Soviet Union and fears that Mr Reagan is too eager to strike one, or more than one. Others favour such agreements in principle but doubt whether this President is the man to negotiate with the

Summit is to yield more than photos

Soviet leader, especially after the experience of Reykjavik.

The suspicion that Mr Gorbachov's visit to Washington might be designed, on the American side at least, as essentially a publicity event has the paradoxical effect of diminishing public interest.

In itself that is no bad thing. It must be wise for the leaders of the two most powerful countries in the world to develop a closer personal knowledge of each other, but that would be impossible if they were expected to reach agreements of substance every time they met. Or, worse still, there might be a dangerous pressure to reach unwise or imperfectly negotiated settlements.

It was interesting that both the presidential candidates I met, the Republican Senator



Geoffrey Smith

error Dukakis of Massachusetts, favoured regular annual meetings between the President of the United States and the leader of the Soviet Union without the drama and exaggerated expectations that have so often attended such occasions in the past.

But next week's meeting is in fact intended on both sides to be much more than just a glorified photo opportunity. It will, in the first place, confirm an agreement on INF.

There may, however, be a good deal more than that. I was told from within the Administration in Washington last month that there was a 75 per cent chance of a settlement on strategic arms (START) being ready by the late spring.

Some compromise could be worked out on SDI, possibly banning deployment for 10 years, that would not stop the United States from doing something that it would otherwise be capable of doing.

The two leaders could agree next week that they would sign to have a START treaty ready for signing when President Reagan visits Moscow. There might also be new initiatives

Consultative role for Spain could influence hopes of Gibraltar prosperity

Madrid wins a voice in Rock's air future

By Andrew McEwen
Diplomatic Correspondent

Spain is to be given a consultative role in the development of Gibraltar's air services in a way which could determine whether British hopes of turning it into a Mediterranean equivalent of Hong Kong, with a booming economy based on financial services and tourism, will be borne out.

The larger than expected role provided for Madrid became clear yesterday when Britain and Spain published the agreement on Gibraltar air transport reached at midnight on Wednesday at talks in London.

A key clause provides for regular consultation between the aeronautical authorities of the two countries on developing the airport's potential.

Any new air routes to be established through Gibraltar will be considered under these talks. The effect is to give Madrid a finger on the pulse of the economy, because without a vast expansion of air services Britain's aims for Gibraltar cannot be achieved. At present it is served by air routes from Britain and Morocco, but has no direct links with other countries.

It is well understood in Whitehall that the consultative role issue could play a part in Gibraltar's elections early next year.

Sir Geoffrey Howe's statement that the agreement fully preserves British sovereignty over Gibraltar may be questioned because of the consultative element. But Whitehall replies that Britain has given the

people of Gibraltar a veto power over the part of the deal which most directly affects them.

Unless Gibraltar's House of Assembly passes legislation approving the deal, there will be no change and Spain will remain without access to the airport. If approved, Madrid will then have a time limit of one year to implement the agreement.

The effect is to present the Gibraltarians with a clear choice. If their answer is yes, the economic benefits will start to be felt within a year, but so will the obligation to take account of Spanish views on new air routes. If they reject it, nothing will change but there will be a risk of still greater isolation.

But the Gibraltarian veto power does not extend to the new European

"Free Skies" policy. The air liberalization directive which transport ministers of the 12 EEC nations are now expected to approve in Brussels on Monday will go ahead without Gibraltar for the moment.

Spain and Britain agreed that Gibraltar's airport would be "suspended" from being affected by the European legislation unless and until Gibraltar passed its own enabling legislation. Sir Geoffrey faced some opposition from both Spain and Gibraltar in reaching this compromise. The Spanish were opposed to Gibraltar being given the veto, and the Gibraltarians were uncomfortable with the provision for consultation.

Whitehall sources saw the agreement yesterday as a balance between the Government's overriding deter-

mination to open up air transport in Europe to free competition, and its long-standing promises not to change the status of Gibraltar without the consent of the Gibraltarians.

Gibraltar's airport lies alongside the border between the Rock and mainland Spain. Under the agreement the Spanish authorities will build a new air terminal on their side of the border with a gate to allow passengers through.

Passengers arriving at the airport from any destination but travelling to Spain will pass through the Spanish terminal without being affected by Gibraltar's immigration and customs control. The same will apply for onward-bound passengers travelling from Spain. But passengers travelling to and from Gibraltar will continue to use the Gibraltarian facilities.

Gibraltarian mood still Patriarch's rare Rome visit against concessions

From Dominique Searle, Gibraltar

There will be no speedy moves in Gibraltar towards passing legislation required for an agreement allowing Spanish use of the colony's airport, even though the Rock will be left out of the EEC cheaper air fares package until it changes its mind.

Nobody here is pleased that Gibraltar is faced with such a serious decision, but it is clear that the form of the agreement has renewed confidence in the British position concerning sovereignty.

If a decision one way or the other were demanded today, it would overwhelmingly go against joint use. Gibraltarians would opt for the consequences of exclusion.

Sir Joshua Hassan, the Chief Minister, and his party have expressed satisfaction in the "choice element" of the package, which Mr Joe Bossano, the Opposition leader, interprets as Spain accepting that Gibraltar has a veto on joint use.

Sir Joshua has not indicated which option he intends to encourage, but made clear that he will not use his majority vote to pass automatically the required legislation. He said he regretted that exclusion is one effect of the Anglo-Spanish agreement.

The news broke on the Rock in yesterday morning's *Gibraltar Chronicle* under the headline "Airport Choice". There was confusion later when Spanish reports were insisting that joint use was simply going ahead, but later in the afternoon Señor Francisco Fernández Ordóñez, the Spanish Foreign Minister, said on Spanish national radio that Spain will comply with its obligation and expects Britain to do likewise.

Mr Bossano remains firmly against the Brussels agreement and stands by the "no concessions" banner which 12,500 Gibraltarians — half the local population — carried

in protest in the streets a fortnight ago.

Mr Bossano said yesterday he had studied the text of the agreement and that it was clear to him that there were elements on joint use which were "clearly unacceptable". He believes that, as far as Gibraltar is concerned, nothing will happen.

"We will be out of the package, in which we have a legal right to be included," he said, adding that it would have been better for Gibraltar to have been excluded last June.

However, Mr Bossano described Britain granting Gibraltar a choice as "an important step forward". With elections due in the next few months, Gibraltar's politicians know that it would be difficult to win on the basis of supporting joint use.

Gibraltar is more likely to sit and watch what effect the package has on the rest of the Community before the live nerve of sovereignty over the airport calms sufficiently for a full appraisal of the economic and political implications of that package to be made.

● **MADRID:** Spain's opposition parties were yesterday expressing rare public praise for the Socialist Government, which is seen as having advanced national interests by agreeing with Britain over future use of Gibraltar airport (Richard Wigg writes).

Spanish commentators cited as achievements Spain's ability in future to use the airport under the same conditions as British airlines, and the building of a Spanish terminal to exercise immigration and customs controls.



The Pope embracing Patriarch Dimiterios I of Constantinople, the leader of the Eastern Orthodox Church, yesterday in Rome. It was only the sixth meeting between Roman Catholic and Eastern Orthodox heads since the churches split in 1054 (Reuters reports). The Patriarch is set to come to Britain next week to meet the Archbishop of Canterbury, Dr Robert Runcie.

● Charges dropped: An Italian public prosecutor yesterday rejected demands for convictions against three Turks charged with taking part in a plot to kill the Pope in 1981, because of lack of evidence.

Socialists' five-year milestone

González fights off critics

From Richard Wigg, Madrid

Señor Felipe González, the Spanish Prime Minister, this week celebrated five years in power at the head of the longest-running democratic government the country has had this century by defending his drive to attract investment and combat inflation.

When the Socialists took office in 1982, inflation was running at 15 per cent. Señor González's Government is now battling to reach the year's end with a 5 per cent annual rate and has set the target for 1988 at 3 per cent.

"I cannot go against investment, for that would be to be against the first priority of this Government, to create jobs,"

the Prime Minister emphasized in a radio interview.

To help curb inflationary pressure and to encourage investors' returns, the Government took on the trade unions this autumn, limiting wage increases to about 5 per cent. Spain under Señor González is aiming for an annual growth rate of 4 per cent.

Spain's problems, he admits, are far from resolved. But with fears of destabilization by once-powerful armed forces now banished, a democracy functioning reasonably well, and membership of the EEC, he believes a framework has been established to overcome these problems.

As if desiring, above all, to answer working-class voters and critics in his own party, the Prime Minister said economic policies were only instruments to create national wealth and permit more spending on education, health and justice. The wealth, however, must be distributed "from a progressive standpoint", he said.

Señor González struck a cautious note over the fight against terrorism, despite the series of successes against Eta, the Basque separatist organization. One extremely violent attack could obliterate the successes, he said.

America prepares for Gorbachov

Welders help to tackle security pitfalls

From Christopher Thomas, Washington

over motorcade routes and certain parts of Washington throughout Mr Gorbachov's four-day stay.

The Secret Service will be kept on the highest possible alert. "We are responsible for anywhere Mr Gorbachov goes in this country," a spokesman said. "It's our duty to protect him at all costs, just like we do

they will mix with Soviet agents. "That's still being worked out," a Secret Service official said. "We also have to decide where our agents will be stationed around the Soviet Embassy."

Eighty-one Soviet journalists are staying at the Vista International Hotel and about

attempt by the US side to revitalize this issue on the eve of the visit of General Secretary Gorbachov to the United States — the problem of so-called violations of the ABM treaty — as a step that is not conducive to a businesslike and constructive atmosphere in Soviet-American relations."

The Kremlin's reaction to this year's annual report on Soviet compliance with arms control treaties was mild, however, compared to previous denunciations of President Reagan, in an apparent attempt to try to keep the mood as positive as possible before the summit meeting.

In his annual report to the US Congress on Soviet arms control treaty violations, Mr Reagan said that in addition to an earlier violation involving a Soviet radar station at Krasnoyarsk in eastern Siberia, new radar stations dubbed "Pawna Shop" and "Flat Twin" at Gomel in the Ukraine south-west of Moscow were in violation of the 1972 pact.

60 of them have been in town since Tuesday, along with 34 Soviet diplomats who included Mr Gorbachov's chief foreign affairs spokesman.

Between 3,000 and 5,000 foreign journalists will join a roughly equal number of American journalists covering the summit. Both superpowers have established press briefing offices at the same hotel, with promises of mountains of information and access to an infinite array of

experts. It is being called the battle of the briefings.

Mr Gorbachov and his wife Raisa are not planning to leave the city during their stay. Mrs Gorbachov will take tea with Mrs Nancy Reagan at the White House and visit some exhibitions. The Soviet side has suggested that she see the Phillips Collection, a small but rich gallery of Old Masters and Impressionist art.

She will probably visit an exhibition at the Smithsonian Institution of paintings and drawings by Leonid Pasternak, a turn-of-the-century artist and father of the writer Boris Pasternak. That would send a signal back to Moscow that the writer was now fully rehabilitated.

Mr Gorbachov has sent word that he does not want to be decked out like a well-dressed capitalist for the Reagan's black-tie dinner on Tuesday. He will wear his everyday suit. The White House said that was fine, but the invitations would still specify "black tie". There are precedents for spurning a dinner suit. Mr Khrushchev did so at a dinner President Eisenhower gave in 1959. And 14 years later Mr Brezhnev wore a business suit when President Nixon threw a state banquet.

The entertainment at the state dinner will be highbrow. Van Cliburn, who dazzled Moscow in 1958 by winning the Tchaikovsky Competition, will perform — the first public concert by the American pianist in nearly a decade.

"This report uses past arguments and once again makes an attempt to accuse the Soviet union of alleged non-compliance with treaty obligations", it said.

"Among such patently contrived allegations, the report this time includes accusations about the so-called new breach of the ABM treaty," the statement said. "In this context the Ministry of Foreign Affairs of the USSR declares that the Soviet Union regards this

for the President."

Mr Gorbachov will be protected by more than 1,000 officers from the Secret Service, Washington Metropolitan Police, US Park Police, the Military Police and Prince George's County Police in Maryland. Demonstrators will be kept at least 500 ft away from the Soviet Embassy and a Secret Service command post is being established somewhere near the building.

Welding down manhole covers is a rare and extreme

measure believed to have been carried out once before in Washington, during President Reagan's second inaugural celebration. Even if Mr Gorbachov had travelled by helicopter — as he had been expected to do — the same precaution would have been carried out in case bad weather forced him to drive.

Moscow — The Soviet Union yesterday dismissed as "contrived" allegations by President Reagan that it is violating the 1972 Anti-Ballistic Missile Treaty and warned that the charges could harm the mood for next week's summit (A Correspondent writes). Mr Yuri Gromyko, a Foreign Ministry spokesman, reaffirmed the Kremlin's invitation to US officials to make an on-site inspection of the radar installations that President Reagan claimed were in violation of the pact.

The Secret Service will cover every inch of the Russian leader's journey and is welding shut every manhole cover along his route to the Soviet Embassy on 16th Street. Mr Gorbachov is staying at the Soviet Ambassador's residence.

Hundreds of Soviet officials will book into the 400-room Madison Hotel and the 40-room Dole Madison Hotel near by.

Mr George Shultz, the US Secretary of State, and his wife will meet Mr and Mrs Gorbachov off the plane at 4.40 pm. At the same time Secret Service agents with bomb-sniffing dogs will conduct last-minute checks of every sewer, mailbox, building and bridge within rifle shot of the route. Roads will be closed so that the motorcade can thunder through.

Parked cars along the route will be towed away and barricades will be erected on Monday. Vagrants will be searched and checked constantly, but not necessarily forced to move on.

The Federal Aviation Administration will ban planes and helicopters from flying

on chemical weapons and conventional forces.

From a European standpoint such developments would be a mixture of good and bad news. It must be in our interests to secure a balance of strength at a lower level of arms, provided that such a balance is indeed preserved. So it is necessary to look carefully at each specific agreement.

The proposed INF treaty, providing for the complete elimination of all medium-range nuclear missiles, is not to my mind in Western Europe's interest. But it is too late for European Governments to object. The worst of all worlds would be for them to scheme behind the back of the Reagan Administration for the rejection of the treaty in the Senate.

What is critical now is that if such an INF deal does go through it should not become the beginning of a process of American withdrawal from

US troops must stay in Europe

Europe. There is, I think, too great a tendency on this side of the Atlantic to regard a major rundown of American troops in Europe as inevitable.

The budgetary pressures on the United States are obvious and were emphasized in Brussels this week. A great many Americans feel that their European allies ought to be doing more for their own defence. But I was struck that even someone as devoted to general defence policy as Governor Dukakis should be emphasizing about keeping a significant American conventional defence presence in Western Europe.

The Federal Aviation Administration will ban planes and helicopters from flying

Thatcher brings the Nelson touch to Community summit

From Richard Owen, Copenhagen

Mrs Thatcher flew into an icy Copenhagen yesterday with the glint of battle in her eye, determined to take on almost all other EEC countries at the European summit on a range of crucial issues: farm spending, the British budget rebate, the future of European defence, and EEC solidarity against terrorism.

"This is the battle of Copenhagen all over again," one diplomat in the Danish capital said. "The Prime Minister is firing on all cylinders".

He was referring to the attack on Copenhagen of 1801 by Nelson, when the Danes had allied themselves to the French. Nelson refused to withdraw despite heavy losses, holding the telescope to his blind eye to avoid seeing the signal to retreat. "Mrs Thatcher is in similar mood", one diplomat remarked.

Officials said Mrs Thatcher had come with the aim of securing an agreement. The EEC, still grappling with the consequences of its enlarge-

ment to 12 members, is faced with a north-south split over spending and a crisis over the ever-expanding farm budget.

The Community faces bankruptcy next year with a predicted shortfall of some £4,000 million. M Jacques Delors, President of the European Commission, who devised the EEC financial reform plan, said that failure at Copenhagen would endanger the EEC's vision of a completed internal market without frontiers by 1992.

British officials welcomed the resolution of the Anglo-Spanish dispute over Gibraltar airport, saying it would not only pave the way for a deal on cheaper air fares after the summit, but also ease Mrs Thatcher's relations with Señor Felipe González, the Spanish Prime Minister.

But Mrs Thatcher remains at odds with most other leaders, including Chancellor Helmut Kohl of West Germany and M Jacques Chirac, the French Prime Minister.

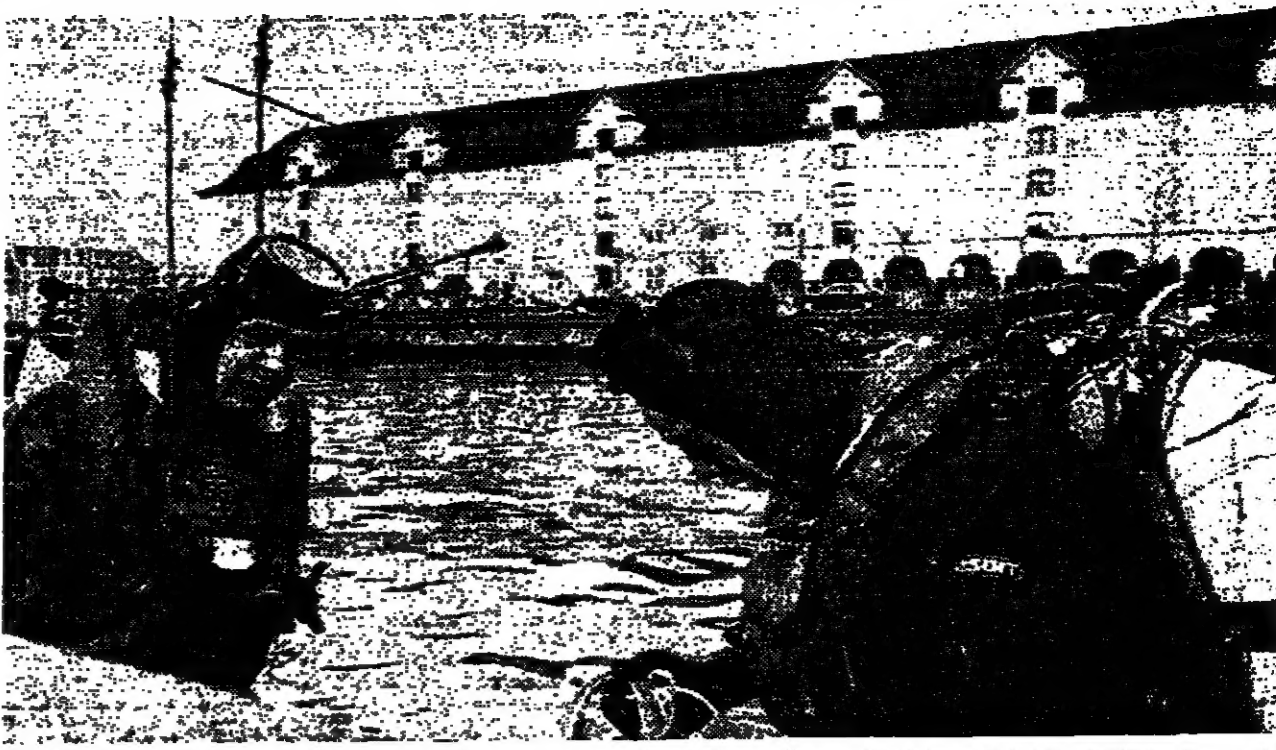
Denmark, which holds the EEC presidency until the end of the year, called for unity and solidarity. Mr Schluter, the Danish Prime Minister, said that he was convinced Mrs Thatcher fully shared his appeal for "give and take".

"No one can be a leader of a European nation without fully understanding the necessity for all 12 of us jointly to take steps forward," he said.

The key problem is that Britain wants strict limits on farm spending as a precondition for other financial reforms. But West Germany and France object to proposed automatic penalties for excessive farm output known as "stabilizers".

There is also sharp controversy over a proposed change in EEC revenue collection, including a suggested national wealth tax based on Gross National Product. That would involve altering Britain's budget rebate.

In a letter to EEC leaders on the eve of today's summit, Mr



Danish Navy divers emerging yesterday in front of the Elgetved Fælles, the site of the European summit, after combing the water for suspicious objects. Copenhagen is mounting a

Schluter said the new revenue system implied a reduction in the British £2,000 million annual rebate of some £200 million. In a sharply worded reply, Mrs Thatcher insisted on detailed farm cuts and dismissed the idea of a rebate reduction as "wholly arbitrary".

She insisted that the con-

tinent security operation on its southern island, the old dock site (Christopher Pellett writes). More than 2,000 politicians, advisers, diplomats and journalists are expected to converge on the

of a Community enlarged to include Spain and Portugal.

Mr Schluter said a compromise based on general principles of reform, perhaps with some details to be worked out afterwards, was still possible. Mrs Thatcher meets Chancellor Kohl at breakfast today to try to break the deadlock. But the West

German capital. The EEC leaders will confer in the elegant, timbered rooms of the former warehouse built in 1738 for the Danish Asiatic Company, which was founded by King Christian VI.

German Farmers' Union have warned the Chancellor to resist "stupid" British demands for farming cuts.

Observers said that if Copenhagen failed, the prospects were gloomy for a deal at the next EEC summit in June 1988, in Hanover at the end of the forthcoming West German presidency.

Vietnam coup plotters jailed

Ho Chi Minh City (AFP) — Sixteen Vietnamese charged with trying to overthrow the Government were jailed yesterday for between three years and life.

The People's Supreme Court here acquitted one man who agreed to help the authorities and gave another a three-year suspended sentence.

The 18 accused, arrested in August in Laos as they tried to infiltrate Vietnam to set up anti-government bases, were alleged by the prosecution to have had US and Thai backing.

Escaper held

Lucerne (Reuters) — Police arrested a second of five men who broke out of prison last month with Charles Altieri, a drug operator linked to the notorious "French Connection" ring, who is still on the run.

In mourning

Bhopal (AP) — This central Indian city was virtually shut down to mark the third anniversary of the gas leak that killed more than 2,800 people in the world's worst industrial accident.

Satellite deal

Peking (AP) — China will launch a Swedish scientific experiment and telecommunications satellite in 1991.

Poison well

Harare (AP) — Two children died and 33 classmates are in hospital after drinking water from a contaminated well near their school.

Hindu talks

Kathmandu, Nepal (AP) — More than 1,000 people are expected to attend a world Hindu conference here in March, officials said.

Duvalier's bogeymen come back with a vengeance to haunt Haiti

From Alan Tomlinson, Port au Prince

When darkness falls only shadows move in this frightened city as hundreds of its residents slip out of town to hide in the hills. Many who remain sleep under their beds.

By day there are few who will speak to a *blanc*, as the Creoles refer to most foreigners here. Those who dare, tell of arrests and disappearances in the night, sometimes by soldiers but most often by men in civilian clothes.

In the aftermath of Sunday's election day violence, when more

than 30 people were murdered as they waited to vote, Haitians are slowly coming to grips with its worst fear — the Tonton Macoute are back on the prowl.

The bogeymen, as their nickname means in French, are the terrifying private militia that sustained the Duvalier family in power for 28 years. They fled with the Duvaliers early last year and were officially disbanded. Some people believe they took refuge in areas loyal to the old regime; others suggest they have been in hiding in army barracks.

On Sunday they returned in

strength to wreck Haiti's first general election for 30 years in a way that surpassed even their own reputation for brutality. Since then they have maintained a level of fear not felt here since the heyday of "Papa Doc" Duvalier.

Well-known members of the group are rumored to have returned to their old neighborhoods. The Macoutes calling cards, a dash of red paint or a red spot stuck on a piece of white paper, are reappearing on front doors.

The dread is felt worst in areas where resistance to the latest violence has been keenest, particu-

larly in the dusty, cobblestoned streets of Carrefour-Fenilles, where vigilante committees killed and burnt a notorious Macoute known as "Café Amer", or Bitter Coffee, at a roadblock last week.

Signs that the Army is working with the Tonton Macoute have shattered any confidence the people might have had in Haiti's caretaker military Government reorganizing the suspended election fairly and democratically. "We will never vote under elections run by the Government," said one man. "We want foreign countries to come here, throw them out and give us proper

elections. If the Macoute don't help us, we'll never make it."

The leaders of many of the most prominent political parties have been conferring in search of a way forward, but unity is proving elusive. Where statements have been made, they have tended to be cautious, with the exception of one candidate, the Christian Democrat, Mr Sylvio Claude, who has called for foreign intervention and a campaign of civil disobedience including a general strike unless the Government resigns at once.

Several leading politicians have

indicated their unwillingness to take part in any elections organized by the military junta. For its part, the rulers have invited non-governmental groups to nominate new members to an electoral council that would reorganize ballots.

Meanwhile, one of the most influential figures in the Roman Catholic Church has called for the prompt removal of the caretaker Government. Mgr Willy Romeluis, the Bishop of Jérémie, a southwestern city, said it was now clear that the Haitian people could not hold general elections under the country's present leadership.

INTEREST FREE

SPEND MORE THAN £299 AND GET 6 MONTHS INTEREST FREE CREDIT*

Buy one or more products at the same time and get 6 Months Interest Free Credit* on the whole purchase.

6 MONTHS' INTEREST FREE CREDIT*

Toshiba ER9610 Combination Oven, 650 Watts, 0.9 Cubic Feet **£369.99**

FREE FREEZE HEAT & SERVE DISHES

Buy any Microwave from Rumbelows and we'll give you a 10-piece set of freeze and heat dishes absolutely free.

Samsung 563T 500 Watts, 0.6 Cubic Feet, Turntable **KB Save £20 < £129.99**

9 MONTHS' INTEREST FREE CREDIT*
Osaki 653 600 Watts, 1.0 Cubic Feet, Turntable **NT Save £10 < £169.99**

Samsung 630ME 650 Watts, 0.9 Cubic Feet, Turntable **MS Save £10 < £169.99**

Sanyo 1512 600 Watts, 0.6 Cubic Feet, Turntable **CA Save £20 < £179.99**

Sharp 5977 White Stocks Last Autosensor 500 Watts, 0.6 Cubic Feet **RM Save £30 < £189.99**

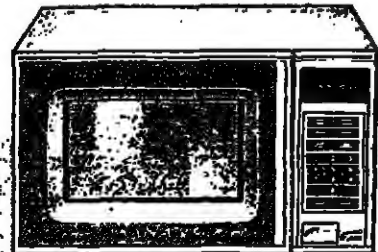
Sharp 6280B 660 Watts 1.0 Cubic Feet, Turntable **£199.99**

Sharp 7280B 660 Watts, 1.0 Cubic Feet **£239.99**

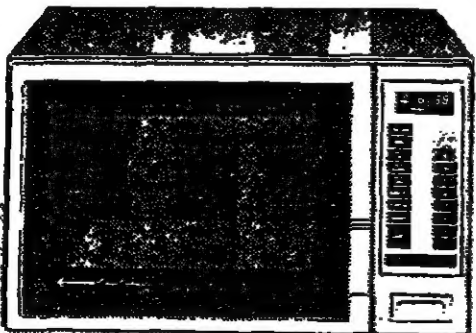
Toshiba 7720W 650 Watts, 0.95 Cubic Feet **£239.99**

Toshiba 7820B 650 Watts, 0.95 Cubic Feet **£259.99**

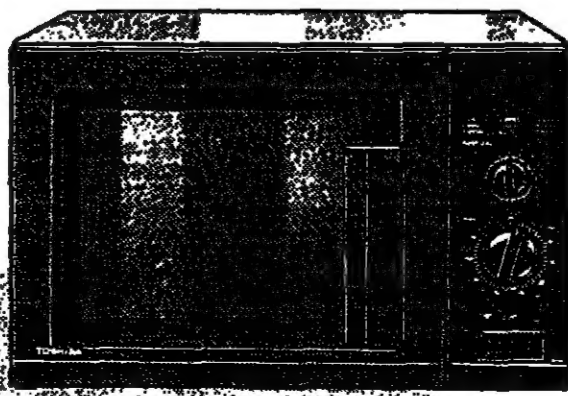
9 MONTHS' INTEREST FREE CREDIT*
Osaki 530 **SE Save £10 < £139.99**



Samsung 565TC **£149.99**



Toshiba 665
Hurry Limited Stocks
NE Save £10 < £189.99



THE PREVIOUS PRICES HAVE BEEN CHARGED BUT NOT NECESSARILY FOR 28 CONSECUTIVE DAYS AS IS SOLEMNLY RECALLED BY OURS IN NORTHAMPTON, MIDLESBROUGH, CAUGHTWORTH AND BEVERHOOD BRANCHES. ASK IN STORE FOR WRITTEN DETAILS. *SUBJECT TO STATUS PAYMENT BY DIRECT DEBIT ONLY APPROX. HEAD OFFICE, TRINITY HOUSE, TRINITY LANE, WALTHAM CROSS, HERTS EN10 7DS.

WE'LL KEEP YOU IN TOUCH

Vigilante mothers fight Camorra's school drug trade

From Roger Boyes, Naples

The typical Neapolitan drug dealer does not shave, has a squeaky voice and likes to read. *Batman* comics are his favourite. He is 14 years old, and if the mothers catch him hanging around the playground again they will give him a good beating and hand him over to the police.

For three weeks mothers in Naples old town have been staking out school playgrounds watching for juvenile peddlers. The big drug distributors (150 are known to the police) have moved into the playground and are using adolescents, who cannot be sent to jail, as their salesmen.

For each sale of soft drugs or amphetamines, they get between £4 and £10; for regular customers they get a bonus. Thirty drug-taking schoolchildren have died in Naples this year. The police, unable to patrol every school, where transactions occur mainly during the lunch break, tolerate the vigilante mothers.

The vigilante action does more than illustrate the squalid practices of the drug business. It shows the limits of tolerance to organized crime.

In Sicily, the main Mafia families would not tolerate the sale of drugs in Sicilian schools. In Naples, the Camorra, which fulfils the Mafia role and has the drug-trade monopoly, has fewer scruples. The result is that the police, while still ineffective, are receiving better tip-offs and more co-operation.

The Camorra draws protection money from about 26,000 businesses in the Naples area. That includes everything from building companies, fruit and vegetable markets and underground glove and shoe factories to well-known boutiques and supermarket chains.

The traditional postwar money-maker has been cigarette smuggling, and it is estimated that 200,000 Neapolitans benefit from its proceeds. Every morning about 20 launches meet ships moored off Naples and cases of American cigarettes are unloaded. Up to 30,000 duty-free cases a year — worth tens of millions of pounds — are being handled by the Camorra and are sold in the area or farther afield. The trade brings in a substantial profit — cigarettes are heavily taxed but it is vulnerable to the fluctuation of the dollar.

The two main Camorra branches, the so-called New Family and the New Organized Camorra, moved into drugs as a hedge against currency movements and to pre-empt other criminal organizations. Even so, there has been until now a rather diffident attitude towards drug processing, perhaps because

there was no real desire to challenge the Sicilian Mafia families predominant in the trade. Signor Raffaele Cutolo, head of one Camorra branch, is said to be opposed to drug users in his organization. Drug selling, however, appears to be all right.

The public tolerance of the Camorra has been a complex matter. First, Naples is almost ungovernable. In Bourbon Naples, the Camorra often ran the state or collaborated with the authorities in keeping order. It is a secret society; oaths are sworn and blood sucked from the wrists of men proposed as new members. As in liberated Sicily, postwar Naples was run as a coalition between the Americans and the reconstituted Camorra. The process was aided by the likes of Vito Genovese, a clan chief in America, who sur-

Oaths are sworn and blood sucked from the wrists... 9

faced as a liaison officer in Naples during the war.

In the absence of effective government — in 1984 Naples had no fewer than five mayors — the Camorra has been accepted as a way of getting things done.

It draws its authority from everyday Neapolitan life, based on family connections and neighbourhood alliances. Few people betray a Camorra member, not because of possible vendettas — although revenge killings account for 200 murders a year in the Naples area — but because it is as unthinkable as denouncing a relative. The other main factor in public support for the Camorra is their economic contribution to a depressed area. This seems to explain the remarkable lack of action by the police against the cigarette smugglers, who trade openly.

But now the Camorra, having become an ersatz administration, is feeling the bite of a disgruntled populace.

Drugs have brought the matter to a head. But as the Neapolitan infrastructure creaks under the strain of poverty, so the Camorra is blamed more frequently than the town hall for social problems.

Water was strictly rationed in Naples throughout the summer. Who was to blame? The businessmen who should have built the pipes — businessmen, it was assumed, who had the approval of the Camorra.

Can the Camorra continue to survive if Neapolitans turn against it? Most people here seem to think so, but organized crime will have to become more responsive to the needs of the people who give it shelter.

Disciplinary action follows Israel's humiliating night of the hang-gliders

General punishes 'second-class' soldiers

From Ian Murray, Jerusalem

General Dan Shomron, the Israeli Chief of Staff, has ordered tough disciplinary measures against what he has called "the second-class soldiers" who were surprised in their camp last week during the so-called night of the hang-gliders.

Six soldiers were killed and seven wounded when a gun-ship, who had flown into northern Israel from Lebanon by hang-glider, stormed into the camp. After an inquiry into why — despite a 20-minute warning — the camp was not on alert, General Shomron has ordered that a brigade operations officer, who was in command, should be dismissed and put on trial along with a guard who fled.

A brigade commander, though appointed only a month before and not present, is to be transferred because he bore responsibility for the unit. The brigade-general in overall command has been reprimanded.

The investigation into the incident has also been critical of military intelligence, which failed to warn that hang-glider attacks were about to be resumed by the Popular Front for the Liberation of Palestine (General Command) of Ahmed Jibril, which is known to have organized the raid.

Recommendations for change in Israel's northern defences have been drawn up,

but no details are being disclosed. A major-general is to be appointed to inquire into the "norms of activity in the face of the enemy as expressed during this incident".

The Government is considering how to eliminate future hang-glider attacks. Mr Yitzhak Shamir, the Prime Minister, told the Foreign Press Association yesterday. "We are convinced the terrorist organization involved is functioning under the protection and with the consent of the Syrian Government... We will have to decide what to do about it and how to respond to it, and how to eliminate a repetition of such acts."

The attack has already passed into legend in the depressed refugee camps, inspiring enthusiasm for resistance to Israeli occupation. A gulf separates each side's account of what happened.

The Israeli version is that the sound of two light engines was detected over the so-called "buffer zone" which Israel controls in south Lebanon.

A warning was immediately flashed to the border settlements and army camps and, according to the preliminary report, all but one responded.

However, according to Palestinian sources, four hang-gliders were involved. This is supported in a statement from the Ahmed Jibril group that



A photograph issued by the PFLP (General Command) claiming to show two members who died in the hang-glider raid.

two gliders were piloted by Palestinians, one by the Syrian who died attacking the camp and the last by a Tunisian, who was shot down in the "buffer zone".

The Palestinians claim that their two men also succeeded

in flying into Israel and landed with the Syrian close to the camp.

Although the Syrian was shot dead, this version has it that the Palestinians escaped and are now ready for another attack. The Palestinians say at

least 39 were killed or wounded, three times the official figure.

Expulsion order: Mr Yitzhak Shamir, the Israeli Prime Minister, signalled yesterday at a meeting of the Foreign Press Association that he will

ignore protests by the US State Department and expel Mr Mubarak Awad, a Jerusalem-born American citizen who advocates non-violent resistance to Israeli occupation and whose tourist visa expired two weeks ago.

Kuwait to bolster anti-Iran defences with new missiles

From Nicholas Beeston, Sea Island Terminal, Kuwait

No one saw the 18-ft-long projectile when it skimmed across the water and crashed into this strategic oil terminal six weeks ago, but the blunt message from Tehran's Silk-worm battery 60 miles away is still reverberating through this vulnerable emirate.

At least 100 engineers were working yesterday to repair the terminal's pipeline, replace the buckled metal platform and patch up the 15 ft hole where the Chinese-made missile had punched its way into the slop tank.

The attack on October 22, the eighth bombardment on Kuwait targets this year, and claims by Tehran on Tuesday that more surface-to-surface missiles are on their way to the front, has forced Kuwait to embark on a rapid defence-spending programme.

For the time being, the terminal — part of the massive Mina al-Ahmadi oil complex south of Kuwait City — is protected by scores of miniature decoy barges intended to lure radar-guided missiles off target by producing signals the size of a supertanker.

But as Sheikh Salim al-Sabah, the Kuwaiti Defence Minister, explained yesterday, further protection is on its way from Britain, France or the United States in the form of anti-missile missiles.

"We are ready to defend Kuwaiti territories if the Iranians miss their way and try to come down to Kuwait," he explained, referring to an expected offensive by Tehran on the southern front of its war with Iraq. He said that Kuwait would decide in two or three weeks whether to buy British Sea Wolf missiles, the most effective but costly system on the market, or opt for the French Roland or Crotale missiles or the American Hawks.

The minister added that Kuwait was also seeking to buy two anti-mine ships. The choice is expected to be between the new Vosper Thornycroft Sandown-class mine-hunter and its two European rivals, respectively an Italian vessel and a joint French-Belgian-Dutch design.

A brigade of Gulf Cooperation Council troops from Saudi Arabia, Kuwait, Oman, the United Arab Emirates, Bahrain and Qatar is stationed at the King Khalid base in Saudi Arabia near the Kuwaiti border to defend Kuwait against an Iranian ground assault.

Kuwait's well-equipped but relatively small 12,000-man armed forces would stand no chance against the hundreds of thousands of Iranian combat troops stationed only 80 miles to the north-east.

The Japanese nightmare

Priced out of a home in land of the rising yen

From David Watts, Tokyo

Young couples setting up home in the inner suburbs of Tokyo have to pay almost £50,000 for a piece of land the size of this page.

Last year a Tokyo housewife turned down an offer of £230,000 for her suburban flat 40 minutes from the city centre. Less than 12 months later the going price was three times that.

She is one of the lucky ones, if she can afford to pay skyrocketing land taxes. But for many of the middle class the dream of owning their own home has become an impossible nightmare of mind-boggling prices which can be paid off only with a two-generation mortgage.

While the rest of the world watches in envy as Japan becomes ever richer, its companies seemingly buying up everything in sight from van Goghs to Scottish hotels, the reality for ordinary Japanese is that they are being virtually priced out of their own country.

Mrs Miesko Hiratsuki works for a public relations company. She and her husband are in their late twenties. They thought they had found a flat that they could afford. It was nothing special, a tiny apartment just one hour from the centre of Tokyo with a floor area the size of two London bedsits, into which Japanese builders managed to cram two rooms and a dining-room-kitchen.

But the £150,000 price was 10 times her husband's annual salary, and even with both of them contributing to the £350 monthly payments they would have had to renounce spending on leisure for the 25-year term of their mortgage and commit £1,700 from their twice-yearly company bonuses to the repayments. The burden was too much and they abandoned the idea of buying.

The Hiratsukis' story is repeated all across Japan's so-called middle class, the backbone of the country's industrial and bureaucratic strength. Land prices in Tokyo rose by up to 93 per cent last year and the wave effect out from the centre of the city has spread beyond commuter-land to lap the foot of Mt Fuji.

In outlying districts some prices have risen 130 per cent over the last year. Though some city centre prices have levelled off, commuter-land prices have not, making the owning of a home only a dream for many people in what is now

the world's second-richest country.

The National Land Agency calls the situation intolerable, but after two years of astronomical increases the Government is thinking only now of formulating a comprehensive policy to try to control prices. For the new Government of Mr Noboru Takeshita, there is no more pressing issue, but even formulation of that policy is expected to take at least another year.

"We Japanese just accept these things. We're not like Westerners," said a young woman who can hardly hope to have her own home unless she marries someone in show-business.

Meanwhile, the country's three biggest estate agencies record staggering business. The biggest, Mitsui Real Estate, had a turnover of 320.7 billion yen in the last financial year. The income of property firms is up 315 per cent since 1984 and 39.2 billion yen in income went unreported for tax purposes last year, according to the Tokyo Tax Bureau.

The very wealth of Japan, the enormous amount of loose cash in the economy and the greed of estate agents and big corporations has helped to increase the spiral.

The sharp end of big business are the *jiageya*, or "land sharks". They buy small parcels of land, often acting as agents for big banks and estate agents, and consolidate them into large areas worth developing. Anyone resisting their approaches comes under constant harassment from gangsters or ruffians who bang on doors, telephone in the early hours or rent neighbouring properties to create havoc.

With interest rates at historically low levels, banks must also take some responsibility for making easy loans to *jiageya* and other speculators. The tax system, too, encourages rising prices by allowing so-called agricultural land in the city area to remain almost tax-free and by taking 52 per cent of the sale price in local taxes if another site of at least equal value is not purchased within a year.

Some 10 per cent of the Tokyo city area consists of small plots of lettuce, cabbages and other vegetables set in incongruous and neat patches between blocks of high-rise apartments and houses. If the land is sold, a huge bite is taken in tax, so there is no incentive to develop it for badly needed housing.

Tamils ambush Indian convoy and kill 33

From Vijitha Yapa, Colombo

Thirty-three people were killed when a convoy of the Indian peacekeeping force escorting food to a refugee camp was ambushed by the Liberation Tigers of Tamil Eelam, the main Tamil guerrilla group, in Sri Lanka's Eastern province.

Police said yesterday that an Indian officer, nine Indian soldiers, six Tigers and 17 civilians were killed in the battle on Wednesday at Valachenna, about 20 miles from the town of Batticaloa.

The civilians died in the crossfire when the Tigers fired machine guns and rockets on the peacekeeping force, police said. A number of shops and houses were also damaged, residents said.

Meanwhile, Education Ministry sources said that GCE examinations planned for tomorrow will not be held in Sri Lanka's Northern province. Tamil guerrillas have threatened to disrupt the examinations through violence, the sources said.

In the south, the Government banned the use of crash helmets for motorcyclists a day after two riders shot dead a senior police officer.



EQUITY RELEASE

You can now use the money tied up in your house to buy other kinds of property.

A trip to a local auction. A thumb through a classic car magazine. A browse round an antique shop. If you've an eye for a good investment, finding one isn't difficult.

But finding the money to invest often is.

To solve this problem we've introduced Equity Release.

A unique scheme that enables you to get at the profit you've made on your house without selling up and moving out.

How you invest your new found wealth is up to you.

And should your house continue to gain in value, you'll be watching more than one investment grow.

We won't charge you a fortune in interest rates either. If you withdraw your money as a lump sum, we'll let you have it for 12.5% APR.*

You don't have to be an existing customer to join the scheme and we'll deal with your application straight away (so you won't miss out on any good investments).

Just pop into any branch of The Royal Bank of Scotland, give us a ring free on 0800 300 323 or fill in the coupon.

And we'll send you all you need to know about turning your house into more than just bricks and mortar.

TO: THE ROYAL BANK OF SCOTLAND PLC
FREEPOST PO BOX 43 RUGBY WARMS CV22 7HR
PLEASE SEND ME MORE
INFORMATION ABOUT EQUITY RELEASE

NAME _____
ADDRESS _____
POSTCODE _____

The Royal Bank of Scotland

SPECTRUM

Three weeks ago

Britain's premier stallion seemed doomed. Brian James reports on his remarkable struggle

The fighting Brave



In prospect,
there is
nothing of his
quality
in Britain today

Robert Acton

After winning eight races from 10 starts, twice with record times in classic events, Dancing Brave was named the Horse of the Year in 1986. The new title that will provide even greater satisfaction to his owners and connections is Survivor of the Year for 1987.

Three weeks ago, bleary-eyed from a flight from Kentucky, an American specialist in horse diseases stepped out of Dancing Brave's box at Newmarket and said: "You're in trouble. Big trouble. I put its survival chance at 5 per cent. No more. Sorry."

Yesterday, Dancing Brave pranced into his paddock, bucked with exuberant delight and playfully dodged the attempt of his handler, Tolly Constantine, to round him up.

"You'd not believe it if you'd seen this animal a bit back," Constantine said. "His eyes were shut. You could count his ribs. The weight had just fallen from him. Every leg was swollen up above the knee. You couldn't have given him a prayer."

Prayers have certainly been offered for a horse indelibly fixed in the public's memory by both his many great victories and one

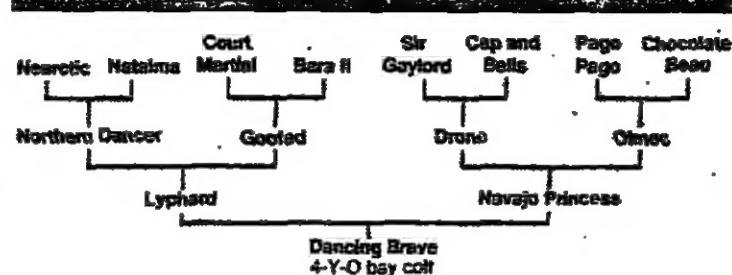
famous defeat; that by inches in the 1986 Derby. For perhaps the best middle-distance horse Britain has produced in a decade, the prognosis now is brighter. But it will be weeks before the collective fingers of a whole racing town are un-cursed.

And it will be even longer before the horse-mad men and women of Dalham Hall Stud forget their days and nights at the bedside, as it were, of Dancing Brave. The stallion is the grandson of the fabled Northern Dancer and the pride of owners so wealthy they can buy almost anything — but who know they could still never replace him.

There are several ways to express the value of Dancing Brave. The near £1 million he won in stakes; the £14 million his stud syndicate paid the Saudi prince who owned him; the £6 million he was expected to earn every year in fees — more if his progeny begin winning races.

None of these criteria seems to occur first to the Hon Robert Acton, general manager of the Dalham Stud. Instead: "His value? You've seen these tapes I have of him? Ever see a horse go like that in the last few yards? As a stallion, of course, he is yet unproved. He was

A-WINNING BLOODLINE



put to 40 mares this year, and got 38 pregnant. But his first foal won't be born for a month. It will be three years before we know whether he's breeding as well as he raced. But in prospect... there's nothing of his class in Britain."

The arrival of Dancing Brave at Dalham Hall slotted another key piece into the grand racing plans of the Anglophile Maktoum brothers of Dubai. Sheikh Mohammed is the owner of Dalham, which rises out of green Suffolk country like a smart hotel. Millions of pounds are being spent, some of them on Europe's largest wooden building (actually, a "maternity wing" for 250 mares). Like the other four Dalham stallions, Dancing Brave has an oak-paneled box 15ft square.

It was in this box at 6pm on November 7 that stud manager Alex Notman saw Dancing Brave looking "just awful. He had been a bit lame in his rear fore at midday. Nothing much. But now his head was down, he wouldn't eat, he had heat in all his legs and a temperature. I have never seen a horse go down so bad in just three hours."

They called for Bob Crowhurst. "He is not our usual vet," Robert Acton said, "but Bob has spent a lifetime in horses and we were very, very puzzled." Next day, Crowhurst returned with another Newmarket vet. Meanwhile another of the syndicate committee, playing safe, had arranged for Douglas Byars, an American

RACING HISTORY

Born: May 11, 1983
Owner: Khaled Abdullah
Trainer: Guy Harwood
Bred: Glen Oak Farms, US
Yearling price: \$200,000

Career Statistics
Starts 1st 2nd 3rd 4th
10 8 1 1 1
Prize Money: £888,835

Career Record

1985
1st Dorking Stakes, Sandown
Park; G Starkey
1st Soham Stakes, Newmarket;
G Starkey
1986
1st King George VI & Queen
Elizabeth Diamond Stakes (Group
I), Ascot; P Eddery
1st Prix de l'Arc de Triomphe
(Group I), Longchamp; Pat Eddery
1st 2,000 Guineas (Group I),
Newmarket; G Starkey
1st Eclipse Stakes (Group I),
Sandown; G Starkey
1st Scottish Equitable Select
Stakes (Group III), Goodwood; G
Starkey
1st Craven Stakes (Group III),
Newmarket; G Starkey
2nd Derby (Group I), Epsom; G
Starkey
4th Breeders Cup Turf (Grade I),
Santa Anita; P Eddery

specializing in blood analysis, to set out from Kentucky.

Crowhurst, aged 71, did not wait for his arrival to tell Acton: "I am pretty sure. This is Marie's Disease. Never heard of it? Not surprised. Very few have. But I feel I ought to tell you that this is a fatal illness. I have seen three cases in all my time. Two died."

Acton walked back 100 yards across a lawn to his office and began telephoning the 20 or so very rich men who between them own the 40 shares in the syndicate — men like the Saudi prince Khaled Abdullah, the Maktoum brothers, the Aga Khan and Paul Mellon. He read them Crowhurst's report. "Each time I got to the bit about 'fatal illness', my voice seized up. I couldn't get the words out."

"We didn't intend to spread the word. We did not have to; within hours the whole of Newmarket seemed to know." The word even got to Dublin. Tolly Constantine had just begun his holiday in Ireland. He flew back, but was beaten to the "bedside" by Byars, who declared the only hope was calling in the best of veterinary medicine. Dancing Brave was taken to the nearby Equestrian Research Centre for X-ray. "He was so weak we had to practically

push him out of the box," Notman said.

The search was aimed at the source of the infection — possibly an internal tumour or abscess. Marie's Disease (whose scientific name is hypertrophic pulmonary osteoarthropathy) was first reported in humans in 1890, and later, more rarely, in dogs and horses. The cause is still not definitively known.

The disease attacks the chest, but the most striking secondary symptoms are, in humans, clubbed fingers and, in horses, a dramatic thickening of the long limb bones, by lumpy new growth, to an extent that the animal is finally unable to stand. When Byars left for home the following Thursday, Dancing Brave, full of drugs, had improved. But the American still gave him only a one-in-three chance. The only hopeful sign was that he was beginning to eat again.

Still pinned up in the tackroom are more than 60 cards, many of them from abroad. Just as touching were the number of horse men who rang to say: "Have you thought of...?" or "Have you tried...?" Among the many who came to stand and watch the horse for a sign of returning appetite or a lively eye was Hamdan Maktoum, the middle of the three racing sheiks, who has a home at Dalham.

This week the first of the outside visitors was allowed, owners of mares wondering whether Dancing Brave will be fit to return to stud in February. He walked about unconcerned enough to make anyone one be fearful of giving up their place in a queue for which the record fee of £120,000 has been no deterrent.

Dancing Brave is still an invalid. Every four hours from Sam Constantine holds his head while a massive dose of antibiotics, smothered in honey, is squirted down his throat. On Saturday, Byars returns to contribute his opinion on whether it is safe or wise to take the horse off them. A veterinary professor from Edinburgh flew down on Thursday to lend his own wisdom.

"By the end of this month," Acton said, "lots of decisions have got to be taken. The insurers will have to declare whether the cover will be renewed. The owners of mares will have to decide whether to wait for him, or try to find another class stallion."

"I have always resisted saying that he has better than a 50-50 chance of pulling through. Deep down, I only hope that is just me being over-cautious — but who wants to tempt fate?"

FINDINGS

A weekly series
on research

ARCHAEOLOGY

The world's earliest potatoes have been found in Southern Chile, dating from 13,000 years ago. While the tuber, brought back to Europe after the Spanish conquest of Peru and to England by Sir Walter Raleigh, was one of the economic underpinnings of the Inca Empire, remains are not often preserved in archaeological sites. The present specimens come from Monte Verde, a late Pleistocene campsite near the Pacific coast, and belong to the species *Solanum magnum* (a wild relative and perhaps ancestor of the domestic *S. tuberosum*), which both the local inhabitants and the archaeologists find very like the modern spud in flavor. Norman Hammond

EGYPTOLOGY

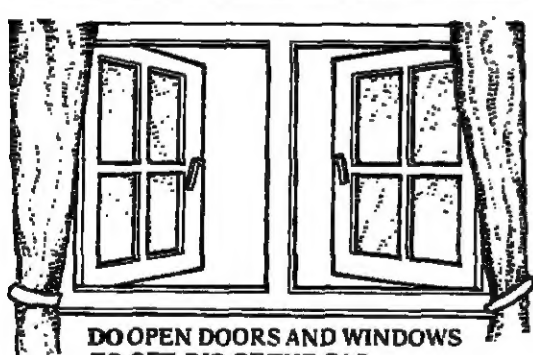
From Andalusia: Egyptian wine jars that "talk". Recent research has established that two large alabaster jars from the cemeteries of Almhâcar, on the southern Spanish coast near Granada, had been taken there by the Phoenicians, the middlemen of antiquity. The inhabitants used them as funerary urns but originally they were wine jars, with hieroglyphic inscriptions. One jar tells how he crossed the waters of the Nile because he had heard of the fame of a primeval god, and travelled full of wine from an oasis in the western desert, in order to bring delight. The ancient Egyptians are known to have had grades of fine wine and even vineyards, but these jars, which date from about 825 BC, are a find indeed. John Ray

METEOROLOGY

If the exact location of lightning within a storm could be predicted, sensitive electrical operations might be more easily protected. Recent advances in electronics and computers have made such measurements possible. A group from the National Severe Storm Laboratory, Oklahoma, and the University of Oklahoma, have made improved observations using a combination of sophisticated radar (to measure the structure of two storms) and radio sensors (to locate the lightning). These indicate that the lightning occurs in the regions of greatest vertical wind shear and where there is most precipitation. W.J. Burroughs

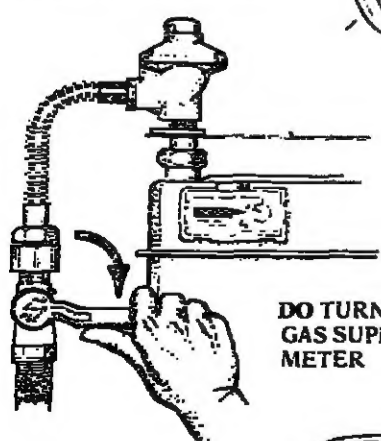
DO'S AND DON'TS THAT COULD HELP YOU SURVIVE A GAS LEAK

DO'S



DO OPEN DOORS AND WINDOWS TO GET RID OF THE GAS

DO CHECK TO SEE IF THE GAS HAS BEEN LEFT ON UNLIT OR IF A PILOT LIGHT HAS GONE OUT



DO TURN OFF THE GAS SUPPLY AT THE METER

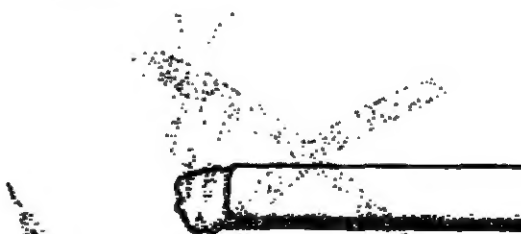
DO CALL THE GAS EMERGENCY SERVICE — WE'RE IN THE PHONE BOOK UNDER GAS, AND WE'RE ON CALL 24 HOURS A DAY EVERY DAY (MAKE SURE SOMEONE'S THERE WHEN WE ARRIVE!)

USE THIS SPACE TO NOTE DOWN YOUR GAS EMERGENCY SERVICE PHONE NUMBER — LOOK IT UP NOW!

DON'TS



DON'T OPERATE ELECTRICAL SWITCHES — ON OR OFF



DON'T SMOKE



DON'T USE NAKED FLAMES

DON'T LEAVE IT TO SOMEONE ELSE — CALL THE EMERGENCY SERVICE.

British Gas
CARING FOR YOUR SAFETY

CUT THIS ADVERTISEMENT OUT AND KEEP IT SOMEWHERE HANDY. IT COULD SAVE YOUR LIFE.

Authors cry freedom

British writers have rifled their attics for an auction this month in aid of their counterparts in foreign gaols

It will be, according to Michael Holroyd, a remarkable event. "Never before," he says, "have writers turned their own material into money to help their less fortunate colleagues." Holroyd is president of the English centre of PEN, the international association of writers, and the event will be an auction of manuscripts by famous living British authors in aid of the association.

PEN members are pledged to oppose the suppression of freedom of expression anywhere in the world. They try to help writers who have fallen foul of the law in countries including the Soviet Union, Chile, Cuba, and Turkey. PEN's Writers in Prison Committee, chaired by Antonia Fraser, provides medicine and legal aid, supports prisoners' families, and lets prisoners know they are not forgotten by writing to them regularly.

This all costs money... hence the auction to be held at Sotheby's as part of a big English Literature and History sale on December 15. Manuscripts have been piling up in Holroyd's flat and in PEN's tiny offices, before being delivered to Sotheby's in Bond Street. They include 11 huge volumes of typescript of John Julius Norwich's *History of Venice* — ruefully known as the Stones of Venice because of their weight. A taxi-driver, ferrying PEN general secretary Josephine Pallen-Thompson to Sotheby's with her cargo, declined to charge her when he heard what it was in aid of.

"We had a wonderful evening with Tom Sharpe," Pallen-Thompson says. He

pulled down from his kitchen shelf a notebook containing most of an unpublished novel about a pornography salesman (estimated value £600-£800). Ronald Dahl was buttonholed in his garden, putting up the marquee for his daughter's wedding. He donated the drafts of his screenplay for *You Only Live Twice*.

Anita Brookner gave part of the manuscript of her last novel, "remarkable for the few corrections", and Margaret Drabble the working papers for one of hers, "in some disorder". Pinter has given the revised typescript of his play *Landscape* (£1,000 to £1,500). William Golding, John Mortimer, Stephen Spender, P.D. James, Francis King, Alan Ayckbourn, Colin Thubron, Beryl Bainbridge, Paul Bailey, Seamus Heaney, Graham Greene and Catherine Cookson have all disgorged.

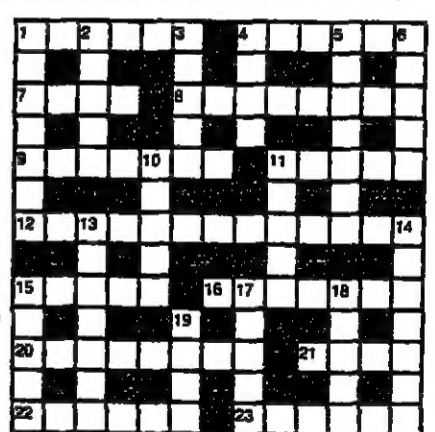
Prices start around £200 and PEN hopes to raise at least £20,000 for writers in prison. Holroyd sent a personal letter to Jeffrey Archer, delicately inviting him (as a matter of honour, he might have added) to donate the manuscript of one of his best-sellers on behalf of writers "less fortunate in the courts" than himself. Archer did not.

The whole thing was Melvyn Bragg's idea. Next Tuesday, at a champagne supper and private view at Sotheby's of all the material to be in the sale, Bragg will make his debut as an auctioneer by selling three letters to himself from Philip Larkin.

Victoria Glendinning

CONCISE CROSSWORD NO 1430

ACROSS
1 Open, acknowledged (6)
4 Wanders (6)
7 Hair bunch (4)
8 Holmes' enemy (8)
9 Intellectual (7)
11 Relinquish (5)
12 PM's residence (7,6)
15 Coin bag (5)
16 Wheeled conveyance (7)
20 Bushmen's desert (8)
21 Unruffled (4)
22 Uncommon thing (6)
23 Foil decoration (6)



DOWN
1 Mine shaft top (7)
2 Make vague (5)
3 Pause mark (5)
4 Nimble, agile (4)
5 Flights organisation (7)
6 Mode (5)
10 Exclusive (5)
11 Observe (5)
13 Small songbird (7)
14 Warn (7)
15 Fire iron (5)
17 Decree (5)
18 Stupid, gross (5)
19 Alter (4)

SOLUTION TO NO 1429

ACROSS: 1 Recipe 4 Browne 9 Mariner 10 Psalm 11 Dure 12 Up-light 14 Tan-a-shooter 15 Meniscus 19 Awey 22 Aisle 24 Opinion 25 Mayhem 26 Beret
DOWN: 1 Romp 2 Circus 3 Ponderous 5 Rap 6 Wrangle 7 Em-mity 8 Wrought iron 11 Dot 13 Tentative 15 Amnesty 16 Ray 17 Embalm 20 Raise 21 Knot 23 Etc

THE TIMES

SATURDAY

—Portfolio Gold—
At least £12,000 to be won



Power behind the pen: Robert M. Parker Jr

Wine's nosy Parker

Wine writer Robert Parker can make or break vineyards. He gives wines a score out of 100. "If it scores 90 plus you can't buy it, and if it scores below 85 you can't sell it," say angry US wine merchants. Tomorrow *The Times* looks at the power of Parker

Can you always get your copy of *The Times*?

Dear Newsagent, please deliver/save me a copy of *The Times*

NAME _____

ADDRESS _____

سكراين الاصل

DOSS **Parke**

FOR YOUR TELEX INFORMATION PACK JUST CALL US **FREE** ON 0800 800 866 OR SEND TO: BRITISH TELECOM, TELEX SALES OFFICE, DEPARTMENT AEC 648, FREEPOST 800, LONDON SW1W 8YS.

NAME _____ COMPANY _____ POSITION _____ TYPE OF BUSINESS _____

ADDRESS _____ POSTCODE _____ TELEPHONE _____

THE TIMES DIARY

One absence to another

An Cwyd, Labour's junior education spokesman, is to be left off the standing committee to examine Kenneth Baker's Great Education Reform Bill. The snub follows a row between the Cynon Valley member and Labour whip Ray Powell over her non-attendance at the bill's second reading this week. Powell, who also helps determine the composition of committees, had teleaxed her to return from her Oxford-sponsored trip to Kampuchea for the debate. Yesterday her office was saying nothing about her re-election but, as Labour's spokeswoman on primary education, she would have expected to be deeply engaged in the committee battle against testing at seven plus. I am told there is a long history of squabbling between the two, who are almost neighbouring Welsh MPs. Yesterday Jack Straw, the education shadow, refused to comment on whether he would have liked to have seen her on the committee.

Inside info

The building of a ladies' loo in a relevant Royal Courts of Justice corridor has kindled speculation that Dame Butler Stoss, now chairing the Cleveland enquiry, will be appointed the first woman Court of Appeal judge. The president, Sir John Arnold, is leaving later this month. Mr Justice Waterhouse looks set to follow him, and with three or four new Appeal posts to be created by the Lord Chancellor, Lord Havers' sister is now considered certain of inclusion.

Museum piece

A advertising agency McCann Erickson took out insurance for its 60th anniversary thrash on Wednesday in the Natural History Museum. Part of the £60,000 bill was towards the insurance premium for £10 million cover against possible damage to Triceratops and the smaller Diplodocus, among others, in the museum's entrance hall from a mock rocket fired during the revelry. In the event a casino in the bird gallery helped keep the 750 guests out of mischief. But time for such gatherings seems to be up. "Parties will be limited from now on. The organization is too much," the museum lamented yesterday. Bad luck for those who have booked for next year.

● The day the Alliance launched its new draft constitution, telephone lines into Liberal Party HQ were out of order. Cycles are asking whether the breakdown was engineered to stem a stream of calls from activists, angry that David Steel and his negotiating team have sacrificed their power base. But I could not raise a comment from the staff yesterday — they were still incommunicado.

Left out

Printers of Labour Party membership cards for 1988 have taken to heart Neil Kinnock's assertion that in this period of policy review nothing is sacred. The 500,000 cards which have arrived at Watworth Road have a blank space where the socialist shibboleth, Clause 4 of the party's constitution, usually appears. I am told the nationalization promise to secure for workers the full fruits of their industry was omitted by mistake. But lefty conspiracy theorists may well interpret the error as further evidence that the Gould tendency is taking over the party.



Strong points

Labour MP George Foulkes, whose Carrick, Cumnor and Doon Valley constituency includes manufacturers of lower-strength whisky, has thrown down the gauntlet. He has called on Tory Bill Walker, whose private member's bill, due to be published today, may attempt to ban sales of low-strength Scotch, to taste the difference. Foulkes wants the bill's sponsors or their nominees to blind taste three full-strength brands, containing 40 per cent alcohol by volume (the metric equivalent of 70 degrees proof) against three lower-strength whiskies in front of an impartial investigator. If they can identify the low ones, which usually contain 37.5 per cent abv, they will be rewarded with a bottle of malt. If they are still capable and repeat the feat, he will hand over a crate of the stuff. Foulkes said yesterday that the lower-strength amber nectar tastes virtually the same, and is cheaper because it attracts less duty.

PHS

Since Anthony Crosland tried to break up the "party" in 1975, local government spending has continued to rise. Since 1979-80 in England it has risen by 18 per cent in real terms for no very good reason. In some places the party has become a grotesque orgy, with spending on extreme and unrepresentative groups being the icing on a cake whose main ingredients are gross inefficiency in the provision of major services.

Complaints by ratepayers and government exhortations have largely been ineffective in persuading local authorities to pull in the reins. There is a strong culture in local government which is driven by municipal socialism and continues to be expansionist, interventionist and monopolistic in its approach, when we are successfully pursuing a national priority of reducing the burden of the state in how much it spends, how much it borrows and taxes; indeed in how much it intrudes into people's lives.

These problems persist because of the inherent weaknesses of the rating system. We have a system in which there are no direct controls on local authority spending, in which in many areas a small minority of those eligible to vote for councils actually pay directly towards local services: representation without taxation. We have a system of Exchequer grants to local authorities of Byzantine complexity which not only compensates authorities for their needs to spend, but also rewards authorities with a low rateable value base and penalizes those with a high rateable value base, despite the fact that rateable values bear little relation to people's disposable incomes. Crudely put, a poor family in south Buckinghamshire, already coping with high costs of living, there is subsidizing richer families in areas of lower rateable values.

No major party supports the present rating system and all are agreed it must change. If it must change, and it must, then the new system must be fair, must be

Why poll tax is the only possible answer

by Nicholas Ridley
—Environment Secretary—

workable and above all must bring about a real improvement in accountability: *ergo* the community charge. Let me examine each criterion in turn.

First, fairness: people argue that the new charge is unfair because it is not progressive to people's incomes. It is actually more progressive than rates, which is a regressive tax. Clearly there are alternatives, like a local income tax, that would be more progressive. But we reject that option because it would meet none of our objectives for a local charge.

It is important that a local charge for local services should reflect in a rough and ready way everybody's ability to use local services. The community charge is a sort of pricing mechanism which regulates people's demand for services with their willingness to pay for them. Few argue that it is unfair for high street shops to charge everyone the same for goods on sale. A community charge for local services is fair because we all choose to pay for the policies of the council we vote for.

A local income tax, the main alternative on offer, would certainly not improve accountability. It would increase the number of people liable to pay by only two million. Estimated rates of local income tax of 26p in the pound in places like Camden, compared with, for example, 5.9p in neighbouring Barnet, would lead

to local brain drains of professionals and entrepreneurs away from the high-spending inner cities. This would worsen the social imbalance in these areas. It wouldn't just be the highly paid who would suffer either. A newly qualified nurse in Westminster would pay £708 a year local income tax compared with £396 community charge (a high figure which reflects the gross over-spending of the Inner London Education Authority).

Let us not forget that the community charge will cover only about a quarter of total spending by local authorities. Half will come from national taxpayers — and a quarter from the business ratepayer. So those in the top 10 per cent income bracket will pay 16 times as much towards local services as the bottom 10 per cent. We will protect the poorest with generous rebates of up to 80 per cent of their community charge, with a taper down to zero as incomes rise. Those who get the full 80 per cent rebate will also receive help with the remaining 20 per cent through the social security system.

Second, workability: any new system of taxation is bound to bring administrative problems. The community charge is no exception, as I would be the first to admit. However, many well-run local authorities — Wandsworth and Brentwood being two exam-

ples — are well on with their plans for administration and enforcement of the new system.

Those few who want to keep the rating system point to ease of collection as its main advantage: the means justifying the ends! The practical problems of getting the new system in place cannot and should not undermine our determination to achieve the benefits it promises. The problems are solvable when they are not being exaggerated.

Last, and most important, accountability. Of all the arguments for change this is the one which people do not seriously challenge. I believe the community charge will revolutionize local government and local politics in two ways: first, if a crude distinction is made between people who want to see local authorities increase the scope of their services and spending and those who want to keep both to a necessary minimum, the balance will shift markedly to the latter. When everyone pays something towards the cost of services, the inefficient and unnecessary will seem far less attractive.

Second, a system which enables simple comparisons of spending and charges to be made between local authorities will lead to greater interest by voters in what their local authority actually does. There will be a move towards local issues as a determinant of people's votes at local elections. This must be healthy for local democracy. The end to the "expansionist" consensus, a greater consciousness of the need to curb spending and improve efficiency, will herald a new era of responsibility.

In sum, our proposals will give local democracy a logical, practical base. Almost everyone eligible to vote in local elections will pay something towards the cost of local services and increase or decrease in spending will affect the community charge directly. For us it means less confrontation with local government. For local government it means stronger local democracy.

Hugh Montefiore replies to the unprecedented Crockford's attack

In defence of Dr Runcie



Those whose professions have lain in literary criticism will not find the new preface to *Crockford's* as anonymous as its unsigned status suggests. Its author plainly knew that his critical remarks about the Archbishop of Canterbury would receive widespread publicity. They must be seen as the latest in a series of political statements, ranging from lies in the tabloids to more measured denunciations, all aimed unsuccessfully to date at unseating the present occupant of the chair of St Augustine.

Words of truth, however, can emanate not only from the mouths of babes and sucklings but from the pen of the ill-intentioned. So what substance, if any, lies in these recent accusations?

Dr Runcie is said to surround himself with fellow bishops from his days at Cuddesdon and Westcott House. *Crockford's* writer can hardly complain if some eminent men have emerged from these famous institutions. I wonder if the anonymous author would include Dr Graham Leonard among the "Westcott House elite". A survey of recent appointments to important sees show many with no previous connection with Dr Runcie — Norwich, Salisbury, Chelmsford; or considering a different Anglican stable — Chester, Lichfield or St Albans. Others were consecrated before Dr Runcie became archbishop.

He is accused of "nailing his colours to the fence". Many outside and within the Church of England are profoundly grateful that after the Falklands victory our Chief Pastor unflinchingly nailed the flag of Christ to the very pinnacle of the national mast.

His reign as primate must be seen in the historical perspective of Tait, Davidson, Benson, Lang, Fisher, Ramsey, Coggan. Each had his own characteristic contribution to make. To call Dr Runcie "an intelligent pragmatist" is to ignore his predecessors. Archbishop Davidson for example is credited with the remark that he made no attempt to steer the ship: all his activities were directed to keeping it afloat. In days much more testing than those, Dr Runcie's style has been quite different from that of Davidson.

There have been times when he has declared his mind — and lost the vote in the General Synod, as over licensing in England of women validly ordained abroad.

just as Archbishop Ramsey lost over Anglican-Methodist unity, and as did Archbishop Coggan over the ordination of women to the priesthood. At other times he has not declared his mind. Even an archbishop cannot be blamed for that if God has not yet clearly disclosed his will. Hasty leadership can be disastrous.

There are other times when in a divided church we have to await the emergence of consensus. The Church of England is learning better than another communion could hope to cope with its internal position. The Roman Catholic Professor Mahoney has written that the recent consensus of General Synod on the divided issue of homosexuality would have left even General Council

green with envy. That was largely due to the archbishop's influence — we are proud that our tradition gives influence rather than dictat to our primate. Reconciliation among Christians can be more Christ-like than confrontation.

We have rarely had an archbishop so sensitive to human problems of society: as one concerned with the preliminaries of the report on our inner cities I know the determination of the archbishop to launch that commission, and his subsequent commitment to an enterprise initially labelled "Marxist", which has won widespread recognition even in government circles.

As a former colleague of the archbishop I would be among the first to agree he was trained not as

a theologian but an historian. But I reckon that his chairmanship of the Anglican Orthodox Commission has been a greater theological test than anything devised by examiners in the Oxford Honours School of Theology. As one who on occasion clashed with him in the production of the bishop's statement on the nature of Christian belief I must pay tribute to his insistence as chairman on loyalty to Catholic essentials in our Anglican tradition.

No archbishop has been or can be a party man. He is the focus of unity not only in the Church of England but also in the whole Anglican community. To be an Anglican is defined as membership of a church in communion with the See of Canterbury. Little Englanders do not seem to appreciate that he has responsibility in helping Anglican churches overseas becoming a worldwide communion with adequate Catholic authority which does justice to the autonomy of provinces and the participation of the whole people of God in decision making. He is dragging the Church of England into consciousness — but leaving it still belonging to the Anglican communion.

Dr Runcie has shown sense and sensitivity in following up the initiative of his predecessors in developing ecumenical as well as Anglican fellowship. His support of joint organizations and the unforgettable papal visit to Canterbury, as well as his rescue from collapse of negotiations with the Orthodox church, are notable achievements which have all too naturally eluded the memory of the "Crockford's Anonymous".

Dr Runcie is certainly not infallible. I have known him since we were students. Frequently we have disagreed and only this year he described me as retiring to south London to "harass" him. But he earned my gratitude and that of countless people in the Anglican communion as well as in England, both church and un-church, by his leadership, integrity and humanity. He has the love and support of fellow bishops. I hope he will take heart from the words of our Saviour: "Blessed are ye when men shall revile you and speak all manner of evil against you for my sake."

The author was formerly Bishop of Birmingham.

Knives out for the abrasive housewife

Momentous issues face the EEC leaders at their meeting in Copenhagen starting today. The collapse of money markets and the ensuing chaos of the last few weeks will have dramatic effects on European economies already burdened by between 15 and 17 million unemployed. And with a US-Soviet summit on scrapping intermediate missiles only a few days away, how precisely is Western Europe to react to the post-INF world?

The 12 leaders face the challenge of the 1992 target for "completing the internal market" — clearing away all national trade protection within European states. A trade war looms with the United States as it gets to grips with its economic problems, and there is the challenge in high-tech posed by the Far East, especially Japan.

By any standards it is a full and urgent agenda — more than enough to merit two days of top-level discussion. But tragically there is only the remotest chance of even a chat on these crucial issues. The opportunity will, as in so many summits before, be squandered and lost.

Instead the leaders will swirl around in a sea of acrimony,

bogged down in cereal prices, stabilizers, quotas and the minutiae of the EEC budget. And orchestrating that acrimony will be Mrs Thatcher, isolated and alone.

Yet on the face of it she is justified in fighting her corner. The Common Agricultural Policy, on which she has set her knife, screams out for surgery. It gobbles up two thirds of the EEC's total finance, and spends half of all that on storing and destroying surplus, unwanted food.

But Britain will still be isolated. Not because of the strength of our case, for all except the West Germans are now ready to bite the bullet on reform, but largely because Mrs Thatcher insists on treating her fellow leaders as if they were mere Conservative cabinet ministers.

They bitterly resent her displays of petulance and her demands, not just for savings in the scandalous farm policy, but her obsession with cutting all the other valuable programmes as well. They cite her obstruction of the all-European scientific research programme this year, and the costly delays it meant before Britain backed down, as evidence of a neg-

ative and destructive approach. The real problem, however, with the Prime Minister's theatrical approach to European summits is that it is so unproductive. It did not work three expensive years ago at Fontainebleau when she agreed to increased financing for the EEC in return for bogus promises about controls on farm spending. Even the rebate she got then is now under threat.

Nor did it work in Brussels six months ago when she blew the whole 1988 budget out of the water in a blaze of publicity, but the night before had balked out the 1987 agriculture crisis by throwing heaps of cash at it.

It will not work this time either, for the most elementary political reason of all. At the last summit Mrs Thatcher made her partners blinding mad. This time, or some time soon, they will get even.

What she wants, even she knows they will not give her. She wants reduced spending on social and regional funds which help the poorest regions of this huge community. She wants massive cuts in the CAP, but none of the consequent savings to go to the productive programmes, and she wants an equal, if not more

generous, rebate for this country. There is just no hope for all that. The bitterness she leaves in her wake now seriously threatens the British rebate. Increased spending is almost certain, and Mrs Thatcher will have to swallow it, and she will get no credit for the reforms which must come in agriculture.

The violence of the rhetoric underlines the poverty of vision of the Prime Minister's approach to Europe. She sabotages the research effort which this country needs vitally, she walks off the European space stage, she rejects the need to combine to climb out of recession — all that matters is cutting, even when it is her country's seedcorn which goes.

In June the French prime minister, Jacques Chirac, accused Mrs Thatcher, to her immense pleasure, of being a "housewife". It was a grave error, because it is a slur on housewives to compare them to a prime minister who continually loses the baby when she throws out the bath water.

George Robertson
The author, Labour MP for Hamilton, is chief opposition spokesman on Europe.

John Grigg

Still so ladyless at the top

Last week the Prime Minister made a notable statement after unveiling a plaque to Nancy Astor in St James's Square (a surprisingly under-reported occasion, with *The Times* almost alone in carrying a report of her excellent speech). "I am always trying to get more women's names put forward," she said. "I still want more women at the top."

Her devotion to this cause had been a well-kept secret, as until recently was her concern for the plight of the inner cities. As Prime Minister she has enormous opportunities for advancing women, without having to wait for names to be put forward. The House of Lords and her personal staff are obvious cases in point. Yet so far she seems to have done little, if anything, to increase the female content of either.

During Lloyd George's premiership Welshmen abounded in Whitehall and Downing Street. These compatriots were not all of equal merit, but some were outstanding in their own right, and in any case their presence served to demonstrate that the Welsh were no longer second-class citizens. Mrs Thatcher has yet to do as much for her sex as Lloyd George did for his nation, in the analogous way of appointing women to her "official family".

Lloyd George also sent a fair number of Welshmen to the Second Chamber, but was powerless to send women there. Though his government made women eligible for the House of Commons, it was not until the Harold Macmillan regime that they gained access to the House of Lords. Peersesses now represent 5.7 per cent of the total membership, and life peersesses about 12 per cent of the "lifers". These proportions have hardly changed since 1979.

But honouring Nancy Astor naturally focused attention upon the Commons, where there are now 41 women MPs. This figure at least marks a distinct improvement. At the end of the last parliament there were 29; at the beginning of it 23; and in 1979 only 19. But Mrs Thatcher is, rightly, not at all content with 41. "It is a great disappointment that we have not got more."

Even the present number of women MPs represents only 6.3 per cent of the total, which is one of the lowest percentages in the democratic world. Among European countries, France and Spain have only 5.7 per cent; but Norway (top of the league) has 34.4 per cent, Finland and Sweden both over 30 per cent, Denmark 23 per cent, Switzerland (though late to enfranchise women) 10.5 per cent, West Germany 10 per cent, and Italy nearly 8 per cent.

It has to be said that the countries where women are relatively well represented tend to be those in which there is a proportional system of election. The United States, with its first-past-the-post system, makes an even worse showing than we do. In the House of Representatives only 5.3 per cent are women; in the Senate only 2 per cent. France was

electing more women before it reverted to a non-proportional system.

PR helps women candidates less on account of the proportional factor than because it normally operates in constituencies large enough to have more than one member. The single-member pattern, whatever its attractions in other ways, tells against women (as against ethnic minorities) because where there is only one seat to be filled selectors look for candidates against whom the element of voters' prejudice, actual or supposed, is at a minimum. Where there are two or more seats to be filled women have a much better chance.

Even without PR (the case for which rests, of course, on many other arguments), considerable benefit would accrue to women if multi-member seats were restored in our big cities. Barbara Castle was first elected to Parliament, in 1945, as one of two MPs for the whole of Blackburn, then a two-member seat. Had the city been divided into two separate constituencies, as it was in 1950, it is very much on the cards that she would not have been chosen as the Labour candidate for either of them, and the start of her career in national politics might have been seriously delayed.

Women, and particularly married women with children, need to be lucky to get into Parliament early enough to build a career. Mrs Thatcher herself, elected before she was 35, had a lot of luck as well as the necessary talent and ambition. She was married to a rich man, who gave her the security to embark upon what is always a risky profession. She could afford help for looking after her children, who obligingly arrived together rather than seriatim. She lived in London and had a London constituency. These factors enabled her to combine her political career with a tolerable home life.

For gifted young wives and mothers with fewer advantages the idea of going into Parliament is much harder to contemplate, and the reality, when it occurs, much harder to sustain. The House of Commons is still essentially a men's club, keeping uncivilized hours and offering amenities to its women members. Yet without more women in Parliament, including young women with families, the country will never be properly represented, and the scope for bringing more women into government will continue to be limited.

To judge from her remarks the other day, Mrs Thatcher seems now to be thoroughly aware of the problem and keen to do something about it. For a fundamental change in favour of women in public life, electoral reform is imperative, and reform of parliamentary conditions and procedure highly desirable. But, pending such radical and, inevitably, contentious measures, useful progress could be made if the Prime Minister were, as a matter of urgency, to redress the actual balance in the Second Chamber and among her own close advisers.

however . . . Henry Stanhope

Warming to the common cold

Before the Common Cold Research Unit closed in 1990, it might like to concentrate its energies on proving or disproving a theory of mine, developed over many years of empirical study. It is that "colds occur in inverse proportion to the amount of trouble taken to prevent them". Let me explain.

When I was a child, I was fed a range of prophylactics, the like of which has not been seen outside the laboratories of Edward Jenner or Pasteur. I set out for school each day fuelled not only with bacon and egg and hot buttered toast (in those days only the Swiss had to eat muesli) but also with a mélange of vitamin C tablets, halibut liver oil capsules, extract of malt and, when appropriate, Gee's Linctus, Farnel Syrup or a brimming teaspoon (at least) of Metatone.

I was then gift-wrapped in pullovers, blazers, scarves, gloves, a cap or, when very young, a blacklava helmet, in the manner of the French Dauphin before Agincourt. Indeed, the addition of one more scarf and mittens would have posed the requirement for a block and tackle to help mount me on my red Hercules bicycle, before riding out to do battle with General Winter.

And what happened? I caught colds, that's what happened. I trapped viruses as a jam jar ensnares wasps. And they were not just ordinary germs but whopping great rhinoviruses, with teeth, which thrived for several weeks on eucalyptus and blackcurrant tea, until even they got fed up and moved on. The only people who benefited were the shareholders and staff of Boots.

Now, some years later, I found myself in the Army, an organization better known for strict paternalism than mothercare. The Royal Artillery regarded bad weather with enthusiasm. It was exercised in the snow, manoeuvred in the mud and squatted beside dud radios in the rain. As the one thing that leaks more than the MoD is an army boot, we usually had wet feet — and on one snowbound excursion on the ranges, a visiting Nato general retired with frostbite.

Perhaps it was an experiment in germ warfare. As a schoolboy, drooping behind enemy lines, I could have flattened an armoured corps within two days. As a gunner my army record was undistinguished, but I might have found my *métier* as a shell.

If this is what they had in mind, the experiment was a failure. Because throughout my time in uniform I never caught a cold. I froze and shivered in turn as we shaved in tepid water in the woods — and longed to be back in Elysium, like the Naafi. But all I ever suffered in the Army was an ingrowing toenail and toothache. I never caught one virus in two years, or to be more accurate, a virus never caught me.

My resistance to germs seemed indeed like evidence of a Supreme Being. "And it came to pass that the Lord, seeing Stanhope naked in his silt trench, ordered invisible rainments to clothe him and that a wall be built around him, to protect him from the multitude. And lo, it was done and Stanhope suffered not, but prospered and was well." (*St Paul's Letters to the Lancet Ch 23 v*)

I have discovered another truth, which is that colds grow fewer as one grows older. My theory is that however many rhinoviruses there seem to be, the number is still finite and thus manageable. As with, say, West Samoan stamps of the 1850s, a collector like myself can acquire the lot, after which he can relax unmolested.

I still manage to catch colds during blackcurrant tea. In February 1974 I spent a week in bed after two days at Stetchford, Birmingham, in the company of its then MP, Roy Jenkins. I did much the same this year, emerging only to vote — to save myself from being pestered by party activists. But my record is very much better than it used to be.

Whether the total destruction of rhinoviruses in the wild is something to which we should devote resources is a matter for those more responsible than me. I do know that as a schoolboy my reactions to going down with one, on days when there was double algebra, were mixed.



1 Pennington Street, London, E1 9XN Telephone: 01-481 4100

STEEL GOES PRIVATE

Privatization of the British Steel Corporation "as soon as possible", which was announced yesterday, is a satisfying symbol of the regeneration of British industry. At the beginning of the decade BSC still belonged to a select category of lame ducks for which it was difficult ever to see a profitable future. Yesterday it announced half-year profits of £190 million compared with £178 million for the whole of last year and cumulative losses in the eight years to 1984-85 of £5.7 billion.

As well as being a symbol of regeneration it is the first privatization of an industry in the public sector which was not obviously saleable from the start. British Telecom is the market leader in an industry which is expanding strongly. British Gas and the electricity and water industries are solid utilities. But steel is one of the state-owned industries long seen to be in decline, and the prospect of being able to interest private investors in BSC demonstrates more thoroughly the practicability of handing back state-owned assets to private ownership.

Steel's advantage over the other basic industries still in public ownership was to have its showdown with the unions early on and to follow it up with a sustained period of firm management. The strike of 1980 during the chairmanship of Sir Charles Villiers was long and painful, but since then the workforce has been reduced by 50 per cent and productivity has more than doubled, turning British Steel into the most efficient steel-maker in Europe.

While the political environment provided by a Government committed to economic regeneration was an essential precondition, the hard work was done by strong management

and a flexible workforce. Privatization is not something which has had to be thrust upon an unwilling management — nor in general has it been opposed by the workforce, in contrast to the attitudes of their political representatives.

A lot may happen, it is true, between now and the first likely date for the sale in 1989-90. Before then paying legislation will be necessary to convert the corporation into a private company. Even if preparatory work were completed by the second half of next year the Treasury already has almost enough privatization proceeds due from previous sales to meet its annual target of £5 billion. By 1989-90 the demand for steel may have suffered from the impending slowdown in world economic growth and the stock market may or may not be propitious. Plans must, however, be made now in order to provide ministers with the option later on.

After steel there is no reason why some of the other basic industries still in public ownership should not also move into the private sector. Coal has suffered its confrontation with organized labour more recently than steel, but in an energy-hungry world it would have no difficulty in attracting private capital, given the right labour structure. British Rail will be more difficult so long as the need for social subsidies continues, but there may be ways of introducing private sector capital and competition into various railway activities which fall short of selling the enterprise in one piece. The proposed separate sale of British Rail Engineering is one example. Where steel has shown the way, other "commanding heights" of the economy should follow.

THE DEEPER PROBLEM

The anonymous Preface to *Crockford's* is not only about the Archbishop of Canterbury. It is also about a deeper problem — the nature and identity of modern Anglicanism. This the Preface has fully and reasonably discussed. It would be foolish for churchmen to dismiss what it has to say about the problem just because they disapprove of the anonymity with which the Preface assails Dr Runcie.

Those responsible for *Crockford's* — the Church Commissioners and the General Synod's Central Board of Finance — presumably do not usually approve of poison pen letters. They must expect to be criticized for their association with this one. But the Church should not be side-tracked from considering the Preface's deeper thoughts.

To accuse Dr Runcie of indecision raises the question: what is he supposed to be decisive about? The problem is not that there are no answers. It is that there are too many. Anglicanism has lost the single identity which flowed primarily from uniformity of worship and from the doctrines stated or implied in that worship — doctrines contained in the Book of Common Prayer.

While that situation lasted, the core and character of Anglicanism was easily discovered: Anglicans were all those Christians who worshipped according to that Book, and who believed in the truth of the teaching it contained.

The Book of Common Prayer is still in evidence, though it is no longer the preferred form of worship in most parish churches. The decline in its use has been attacked from time to time on the grounds that it is a priceless repository of beautiful language and tender religious sentiment — a national treasure. It was vital to the Church not only because it was beautiful, but because it was the foundation of a faith held by people in common.

It is still an influence, but a diminishingly common one, being overtaken by liturgical variations more in keeping with contemporary tastes. Each of the 26 international "provinces" of the Anglican Communion has its own "new" liturgy, each with a lingering flavour of the old common one but without any

attempt to ensure that a common Anglican doctrine has survived the modernization.

In spite of the 39 Articles, Anglicanism never was a "confessional" creed. In any case, the Articles are themselves no longer obligatory. So the removal of the one central pillar, a Book of Common Prayer imposed throughout the Church by an Act of Uniformity, has left the Anglican creedal and liturgical edifice standing with no visible means of support, liable to collapse under its own weight. It is that which alarms the anonymous writer of the *Crockford's* Preface above all; and it is serious enough for even a good and loyal churchman to employ any and every means at his disposal to try to get the Church to address itself to so grave a peril.

Without that central pillar, the Church has become dependent on secondary supports. These include the habits of going to church from time to time and of having one's children christened. They also include the important role the Church can play as a focus of national grief or celebration; its place in English culture and history; a constitutional but nominal relationship between the Church and the Crown; and a general sense that a national church is on the whole a good thing to have around.

Such factors are enough to keep the Church in business while it gently declines. That, provided all is reasonably peaceful in its own ranks and in its relationship with the nation. It is not an impressive basis on which to evangelize and even convert that nation, though the Church of England's enthusiasm for converting England has never been great.

The renewal of Anglicanism cannot be achieved by the re-imposition of the Book of Common Prayer. Nor is any other obvious remedy to hand, which is why the prognosis of the Preface has to be so bleak and negative. But the temptation presented by chronic problems which have no immediate answer is to ignore them altogether, even to deny that they exist. Painful though it is for the Church to have its face so rudely rubbed in them, they must be acknowledged as real problems, desperately demanding attention.

PROGRESS ON THE ROCK

The Anglo-Spanish agreement on joint use of Gibraltar airport has been received with acclamation in Madrid — and with good reason. In one sense it is a triumph for Spanish diplomacy.

The airport has been a contentious issue since the time it was built (by British troops during the Second World War) along the isthmus connecting the Rock to the Spanish mainland. Madrid has always argued that this land was not included in the Treaty of Utrecht, under which Gibraltar was ceded to this country in 1713.

Successive Spanish governments, incensed by continuing British sovereignty over Gibraltar, have seen the airport as the ultimate indignity. But this particular problem has been one on which diplomatic progress has looked possible. While ownership of the airfield (which is run by the RAF) has remained as un-negotiable as that of the Rock it serves, the demand for joint use of its facilities has seemed more reasonable.

Even so, progress during three years of sporadic bilateral talks has been slow and fairly painful until now — mainly because of Gibraltar's hostility towards anything that has looked like a concession. It was only when Spain played its trump card in June, by blocking the de-regulation of European air travel, that things started happening quickly. And it was only this week, five days before a decisive meeting of transport ministers, that Spain won the concession it sought.

But the benefits are far from being one-sided. Under the agreement, travellers to southern Spain can fly to Gibraltar and pass directly into a new Spanish terminal (yet to be built) on the border, without the indignity and inconvenience of going through British customs first.

For this to be put into force, however, new legislation will be required from Gibraltar's own House of Assembly. With elections due in

Gibraltar in the spring, the issue is going to be highly political — and, despite Sir Joshua Hassan's blessing for the agreement, the willingness of Gibraltarians to acquiesce in it is far from certain. If they should vote against the legislation, then the Spanish government will have lost its gamble — because it has already surrendered its position on de-regulation and several other questions, including cross-border traffic to and from the Rock and the ferry to Algeciras.

Gibraltarians interpret any concession to Madrid as the thin end of a wedge, encouraging the Spanish belief that further pressure might lead towards overall sovereignty one day. Understandable though this may be, it is an argument which obstructs all kinds of progress and which thereby threatens Anglo-Spanish relations. Gibraltar's right to decide on its status is enshrined in its constitution — and repeated assurances on this have been given by Whitehall. But to oppose everything else as well, on principle, is unproductive.

The 30,000 inhabitants on the Rock should be urged to adopt a positive attitude on this, not simply to please this country and make life easier for Sir Geoffrey Howe in Brussels, but because it should contain benefits for themselves. It should open the way to an expansion of the airport in terms of passenger traffic and freight. For a colony which depends so much on tourism, any move which can widen its gateway to the world must surely be one in the right direction. Politically and economically, it can serve only to strengthen the links between Gibraltar and southern Spain, to their mutual advantage.

If sovereignty is to remain un-negotiable (at least until Gibraltarians change their mind) it is right that issues should be settled amicably. It is a way of living together that must be sought, not a means to continue a debilitating quarrel.

Overcoming the nursing crisis

From the Chief Executive, UK Central Council for Nursing
Sir, British nursing and the health services face serious and complex problems. The suggestion that the Project 2000 proposals for the reform of nursing education should be on the ministerial agenda (leading article, November 27) is welcome. So, too, is the indication that the impending crisis in the nursing profession will not simply be solved by pay alone.

If accepted, the proposals will establish an educational programme more suited to preparing nurses to meet modern health-care needs and spare future students of nursing the bad experiences that cause so many to leave the profession. Together with other initiatives, they will also provide a basis for retaining skilled and experienced nurses in the direct care of patients where they are so badly needed.

My council, the statutory regulatory body for nursing, midwifery and health visiting in the UK, has been concerned with the future of the profession and the impending manpower problems for some time. We are already taking steps to widen the entry gate to professional training and have recommended recruitment initiatives to reduce the impact of the projected reduction in 18-year-olds. Recruitment is one problem, but retention is quite another. Nurses wish to do their best for patients in their care, but to do so they themselves must have adequate support and sensitive and flexible management.

The attention drawn to the plight of David Barber and his family (report, November 25) should not limit the debate to intensive care and related acute specialties. There is a need for skilled nursing across the spectrum of health services to provide care for those who are old, as well as the young, and those with impaired mental as well as physical health in both hospital and community settings.

The nursing profession in our country has a proud and fine tradition. In facing the difficult future it is imperative that we cherish the values of British nursing and move forward, together with the medical profession.

Hospices and Aids

From Mr Richard M. C. Seed and Mr H. Angus King
Sir, If hospices decide, as a general rule, not to admit AIDS patients it will be a very bad day, not only for the AIDS patients and his or her family but also for the international reputation of the hospice movement.

If Professor Wilkes is correct (report, October 29) in stating that although many hospices are not religious organisations, they contain a number of committed Christians on the staff, the implications need deep and careful handling. A committed Christian would surely believe that, regardless of background, any terminal patient should be treated as a dignified individual with specific needs.

If the patient is a drug abuser, homosexual or male prostitute, then his or her need is even greater, and no Christian should have difficulty in adjusting to their needs, both spiritually and physically. The contrary may often be true: the Christian members of staff may have less difficulty in caring for them than any other member of staff who may be tempted to regard them as despicable.

There needs to be a much greater awareness of the needs of AIDS patients as individuals facing death, and surely the hospices should aim to be alongside them as much as any other terminal situation, regardless of the cost.

Yours faithfully,
RICHARD M. C. SEED, Chaplain,
H. ANGUS KING, Chairman,
Martin House Children's Hospice,
146b High Street,
Boston Spa, Lincolnshire.

King's Cross fire

From the Chairman of the East Grinstead Medical Research Trust
Sir, May I congratulate Liz Gill on her article (November 26), "A tissue of hidden pain" — pain from burns injuries which was brought sharply to our awareness by the tragedy at King's Cross. Both physical and psychological pain are all too familiar to us in the McIndoe Burns Unit and the Blond McIndoe Centre, both of which owe their inspiration to Sir Archibald McIndoe and his operations on burned RAF aircrew during World War II.

Research into the treatment of severe burns injuries, the culturing

Gallery powers

From the Director of the National Art-Collections Fund
Sir, Brian Sewell (article, November 21) has fluently and concisely exposed the dangers in the Arts Minister's proposal to allow the trustees of London's three main picture galleries to sell off works from these collections. He asks, "What will be the standing of pictures which are bought from sums topped up by the National Art-Collections Fund" or other private resources?

The NACF has long recognized the dangers of such "de-accessioning". Every museum or gallery purchase towards which the fund contributes is accompanied by a proviso, amounting to a binding agreement, that the work will never be sold. We have been assured by the minister that such an agreement will in no way be violated by the proposed new legislation.

Snags on power privatization

From Mr W. P. Winston
Sir, In the debate on the privatisation of the electricity supply industry the problem of the big public inquiry (BPI), such as was required for the Sizewell B power station, has not been taken into account. As things stand, it is unlikely any large power station, especially a nuclear one, could be built in England or Wales without such an inquiry. On the other hand it is accepted, for instance by town and country planners, that such massive planning exercises as the BPI are hardly justified. What then can be done?

One option would be to implement power stations by individual Acts of Parliament, thereby obviating public inquiries. Neither the Government nor the opposition parties appear to favour this option.

I suggest a reason why power stations can be expected to give rise to BPIs is the size of the Central Electricity Generating Board and its lack of a direct link to the public. Only a large undertaking could finance a BPI and, for instance, the public did not see the cost of the Sizewell B inquiry as a charge on electricity bills.

The present privatisation proposals to some extent would perpetuate this situation as they propose a horizontal stratification of the industry into power stations, the national grid, and supply companies. If the BPI is to be avoided by linking power stations to the public, then a vertical integration is required; that is, the industry for privatisation should be organised into units which combine generation of electricity (power stations) with supply to customers.

Yours sincerely,
W. P. WINSTON,
12 Grange Meadow,
Banstead, Surrey,
November 21.

From Mr Edward Hanson
Sir, In calling for a silencing of public statements on the merits and means for privatisation of the electricity supply industry, Mr Cecil Parkinson may now have realised the essential weakness of his proposals as to how to introduce some element of competition into the industry.

I suggest that the following aspects of the problem should be considered as deeply and widely as possible.

In order to avoid the wasteful installation of competitive gen-

Plight of homeless

From Councillor Mrs P. M. Pottle
Sir, Mr Roger Singleton (December 1) asks that young, homeless single adults be given more consideration by housing authorities and landlords when criteria governing eligibility are being established.

It might hearten him to hear that we in Havant recognise the housing need of this sector of the community and have amended our housing policy accordingly.

From January 4, 1988, applications from single adults of 18 years and over will be accepted by this authority for housing in bed-sitting rooms. A small, secure step on the long road to independence! I am, Sir, your faithfully,
PHYLLIS M. POTTLE (Member, Housing Committee),
Havant Borough Council,
Civic Offices, Civic Centre Road,
Havant, Hampshire,
December 1.

Talent in the Church

From the Bishop of Norwich
Sir, Tom Batho ("A church of wasted talent", November 30) is right to say that "what is lacking is the Church's ability to make the best use of the people that it has".

Two recent developments would perhaps encourage those who share Mr Batho's concern. First, quite apart from the growth (albeit patchy) of training for the laity, in-service training for the clergy has been growing rapidly and systematically in the last few years, and most dioceses now have a full-time director of training who is responsible for what is known as "continuing ministerial education".

Secondly, last year the House of Bishops appointed a working party, of which I was chairman, which in November launched a comprehensive system of personal files for the clergy of the Church of England. The purpose of this system, which owes much to lessons learned from industry and commerce, is precisely that recognition and development of gifts for which Mr Batho argues.

Yours faithfully,
PETER NORVIC,
Bishop of Norwich,
Norwich, Norfolk,
December 1.

From Mr Paul Ketteridge
Sir, If, according to Tom Batho, the clergy are executives, the archdeacons are senior managers and the bishop is the managing director, who pray are we in the pews — the shop-floor workers or the shareholders?

Yours,
PAUL KETTERIDGE,
Bankside Cottage,
7 Church Street,
North Marston, Buckingham,
November 30.

Lesson for Advent?

From Mr J. B. Smeaton
Sir, May we assume that a reading from *Crockford's* (report, December 3) will qualify as a Proper Preface in Anglican services this Sunday?

Yours faithfully,
J. B. SMEATON,
39 Petts Wood Road,
Petts Wood,
Orpington, Kent,
December 3.

ON THIS DAY

DECEMBER 4 1856

The Times was never slow to raise its voice when freedom of the press was threatened. In this instance a rival paper, the Daily News, had been sued by Lord Lucan for its criticism of his conduct while a lieutenant-general commanding the cavalry during the Crimean War.

[A LIBEL SUIT]

The action for libel brought by the Earl of LUCAN against our contemporary, the Daily News, has ended in a verdict for the defendants. We need not say that such a result is, in our opinion, most satisfactory. Not only the press, but the country in general, has reason to rejoice that the jury which was empanelled yesterday in the Exchequer had the good sense and the good feeling to defeat an attempt to punish a journal on so frivolous a charge. The article which was the subject of this abortive action was written soon after the report of the Chelsea Board of Officers was given to the world, and merely expressed with regard to that document the opinions which, we will be bold to say, were held by nine-tenths of the thinking men in the United Kingdom.

LORD LUCAN had been, from the beginning of the war, mixed up with the affairs of the army; he had been concerned in the calamitous charge at Balaklava; he had quarrelled with the Commander of the Forces, with one of his own Generals of Brigade, and with one, if not more, of the Colonels under him; he had been recalled from the Crimea, he had been reflected on by the Commissioners, he had written letters after letters to the newspapers, he had kept the Chelsea Commissioners engaged on his case for a most inordinate length of time, and very strong opinions had been pronounced on his capacity and temper by all sorts of people during the whole of these proceedings. He had, moreover, to the scandal of a large body of his countrymen, received an accession of military rank, the Order of the Bath, and the command of a distinguished regiment. . . . As for the terms of the alleged libel, it is plain that there is nothing in them of which LORD LUCAN could fairly complain. If, in a time of war and disaster, it be not competent for a public paper to give an opinion on such matters as the disputes between Lord RAGLAN and Lord CARDIGAN and the merits of the Chelsea Board's verdict, then there is an end at once to the political discussions of the press. Lord Lucan had been accused of many things, and some of these charges could not be denied. Among those which no ingenuity could escape from were the displays of temper and the want of self-command to which the alleged libel alluded. The jury, by their verdict, declared that to comment on such faults in a man holding a post of the highest importance was within the legitimate province of a public newspaper. . . . The case went to the jury in the simplest form. LORD LUCAN was placed in the witness-box, and confessed that he had been recalled in consequence of a highly improper letter to Lord RAGLAN. The jury found that the defendants were justified in publishing the article, and that it was a fair comment on the acts of the plaintiff. . . . So far from the press being guilty of making unsupported assertions, we are even now surprised at the small amount of inaccuracy which has found its way into newspaper columns. However, no apologies are needed for a course which has at length received the almost unanimous approbation of the country. The verdict in the case tried yesterday will, we trust, put an end to the hopes of those false friends and overt enemies, both at home and abroad, who look with natural fear and dislike on the courage and freedom of the English press.

FRIDAY PAGE

Nanny knows best

Having an 'English' nanny does not merely bestow a social cachet upon American superbrats — it prepares them for life, says Victoria McKee

A new secret weapon is being primed for use against the American superbrat. Precocious children, urged to speak at six months and read Shakespeare before they have cut their milk teeth, are about to be introduced to the traditional British nanny.

In the land of the Nobel sperm bank and the Prenatal University, where education begins *in utero* to create toddlers who read the *New York Times*, there is a growing yearning for the good old days when children were seen, and not heard spouting the Dow Jones Index.

Enter, on cue — and preferably floating under an umbrella — the British nanny, to perpetuate the cosy childhood world of Winnie the Pooh and honey for tea, for which Americans yearn.

"People want English nannies because they will read the children nursery stories and tuck them into bed at a decent hour and keep childhood in perspective," says Sheila Roth, who runs the booming English Nannies School in Cleveland, Ohio.

Roth, who is English but married to an American, spotted the gap in the market and originally hoped to import British nannies to the United States. But when immigration laws banned such an invasion, she decided to set up a school — which is housed in, though not part of, Case Western Reserve University, where her husband teaches — to train American candidates in the Mary Poppins technique.

"We stress proper discipline and table manners," Roth says. She takes the "etiquette"



Perfect posture, please: learning how to be properly British at the English Nannies School in Cleveland, Ohio

class herself and believes that an English nanny should provide a mixture of innocent fantasy and firm discipline.

So far 126 nannies have passed through the school's programme, in the uniform of "bisque pinafore with bow tie" which is rather reminiscent of an airline stewardess; there are now 20 institutions loosely linked under the aegis of the American Council of Nanny Schools, which plans to develop a national "competency" test for nannies.

"We believe in fairy tales and rocking chairs and cuddles," Roth says proudly.

At a major conference on childcare this month in Chicago, the issue was high on the agenda. David Rikind, an eminent child psychologist and president of America's National Association for the Education of Young Children, deplored the way "parents are risking their children's long-term opportunities for happy and complete lives by pushing them into structured instruction at earlier and earlier ages".

Dr George Sterne, chairman of the American Academy of Pediatrics' committee of early childhood, said: "I've had children come to me who have schedules that would boggle the average adult: 60 hours of instruction, what with preschool, piano lessons, dance lessons and what-not."

But this is not the only reason for the sudden popularity of the English-style nanny.

Panama, fanned by frequent reports of kidnapping and child abuse, seems to be sweeping America and parents worry about leaving their children with untrained babysitters. The recent case of a well-to-do professional couple who beat a child so badly that it died caused revulsion across the country, and almost daily there are tales of kidnapping — whether across state or international borders.

In Washington DC, a senior woman executive admitted with some embarrassment that she had not dared to go

back to work until her daughters were of school age — and then only part-time — because she could not find anybody she felt confident to leave them with.

At the Chicago conference Roth came face to face with her British counterpart, Louise Davis, the Principal of Norland. The women differed as bitterly as irreproachable politeness would allow — over whether Roth could really turn out fully trained nannies after a three-month course, when Norland takes two years over the procedure.

Roth maintains vehemently that the case, because she doesn't get raw, young recruits but women with previous childcare experience, who are willing to pay the \$1,500 (£800 at current exchange rates) fee for the promise of a substantial salary and the pick of the jobs. The Americans are turning nannying into a profession, she asserts, not just a pre-marital pastime as it is for many girls in Britain.

"I set standards," Roth says severely. "My nannies do no

housework and I don't even let them go into a household without other staff — even if it's only a part-time cleaning lady." Newly qualified, her nannies can command a salary of \$12,000 — plus room and board. This quickly rises to about \$16,000 and in Manhattan they wouldn't sign on for less than about \$18,000 she says. (Roth gets 10 per cent of the nanny's arrival salary from the family). "We scour the city for suitable applicants — we're head-hunters."

She boasts that her nannies tend to be very loyal to their employers, and stay in their well-paid posts for more than three years — compared with the hasty turnover, often as little as six months, with the generally younger British girls (though not, of course, Norland nannies).

The only advantage they don't have, Roth admits, is a British accent. "They'd love me to teach that," she smiles — seemingly oblivious to the fact that she has all but lost hers.

© Times Newspapers Ltd 1987

Take me to your leader's spouse

The nice woman I spoke to at the White House Press Office told me that she expected about 2,000 American reporters to be in Washington covering the summit next week. She didn't know how many of those would be assigned exclusively to cover the wardrobe of Raisa Gorbachov, but she took the question seriously. "The interest in Mrs Gorbachov," she replied, "is very high in America."

It is an American habit to raise the profile of the leader's consort to extraordinary heights. It started with Mary Todd Lincoln and it has continued right up to Nancy Reagan. Sometimes I muse over the symmetry of the criticism aimed at those two wives, and wonder if Mrs Reagan gets comfort from knowing she is not the only first lady to be accused of reckless extravagance in the decoration of her household and person. Americans have always revelled in "spousal politics", with an obsessive interest in the politician's wife and family.

In this sense, the United States and the Soviet Union run the gamut of extremes. Before Raisa, Soviet wives and children were so indistinct as to be a matter of speculation. It was not until Andropov's funeral that it was finally confirmed that there was a Mrs Andropov and son at all. As far as I can remember, tyrants traditionally have had no visible spouse, offspring or consort to speak of. Eva Braun received her publicity posthumously and the only real exception I can think of is Catherine the Great's Grigori Potemkin, who remained prime favourite even though he ended up procuring young boys for her. A tyrant's wife achieves visibility at her peril, as did Madame Mao when Mao Tse-tung was enthroned, and she paid for it.

In the United States, on the other hand, we had the unnerving spectacle of Jimmy Carter informing the nation that his policy discussions included chats with his frightful pigtailed child Amy.

I'm not sure that we can draw any far-reaching conclusions from the contrast between the Byzantine stiffness of the Soviet system and the vulgarity of the Americans. All it does, I think, is tell us something about the country's style rather than its substance.



BARBARA AMIEL

Either approach could produce a great leader. For my own taste, I lean toward something in between these extremes, rather like our own western Europe where spouses have a function commensurate with their own talent and qualities.

Mrs Mitterrand and Mr Thatcher quite definitely exist, but I'm pretty much in the dark about their views on most matters, which is as it should be.

Americans have an obsessive interest in the politician's wife and family

should be. If a spouse wants to start offering views distinct from simply murmuring support for her husband's stance, well, she'd better run for office herself.

By Soviet standards, Raisa breaks all rules. It is rumoured that Gorbachov's opponents in the Soviet Union are now accusing her of promoting a "personality cult". This phrase, of course, does not mean what it means in western terms and has absolutely nothing to do with whether Raisa has a visible personality or not. Just as when once the Russians wanted to talk about the hated China they used the word *Athanasia*, so "personality cult" is a synonym for "Stalinism" which in turn is now a term for anything that is the enemy.

"Do you discuss national policies, political difficulties and so on?" was the famous question put to Gorbachov about his relationship with

Raisa by American television interviewer Tom Brokaw last week. His answer: "We discuss everything", was greeted with warm approval in the United States where the *New York Post* front-paged the story "Just Like Ron And Nancy". The significance of this comment was not whether or not it was true, which is anyone's guess. The importance is that Gorbachov understood that a western leader would claim to discuss everything with his wife even if he doesn't, while a Soviet leader would be uncomfortable saying that, even if he does — which is why that exchange was censored in the Soviet re-broadcast.

Gorbachov is the first Soviet leader who has a shrewd understanding of the style of western politics. Insofar as he is running for office, he is doing it in the United States, not the Soviet Union. "He's the best presidential contender we've had so far," one news commentator cracked. This acceptance is helped immensely by Gorbachov's own engaging television personality — and was not hindered by Brokaw, the CBS news presenter from Omaha, who now earns close to £1 million a year in return for his clean-cut good looks and unabashed interview technique.

One must not get stuck in antediluvian attitudes to communism, I keep telling myself. Well, one shouldn't, even though I can't help thinking that any clever tyrant would rather be the leader of a rich and efficient tyranny instead of an inefficient and poor one. And if he can slow down defence costs and see his tottering empire propped up by western subsidies, then what harm in assuming the style of a western politician and claiming that he discusses human rights with his wife over breakfast?

Still, Gorbachov is not duty bound to be a charitable institution and has every right to use *rapprochement* and *détente* to both his own personal political advantage and that of his country. After all, why begrudge him a good deal so long as the deal is also good for the West? Meanwhile, as Raisa and Nancy get out the ballgowns for next Tuesday's state banquet, one can only sit back, watch the hemlines and muse that it must be better to dress to kill than dress to die.

Present stars are helping future ones in a family show with a difference

Unsung heroes of a mini-opera

Nicholas Kraemer is standing on a pew in a large cold church in Notting Hill, with his brother Timothy's score for his new children's opera, *Ulysses and the Wooden Horse*, resting on the lectern in front of him. Forty children, mostly girls, between the ages of nine and 16 are ranged over the altar steps, singing.

"Very feeble — come on now," says the conductor. They start again, singing "Feel the power of the horse", but Nicholas interrupts patiently. "You're a whole beat out. I can't go One Two on the night."

In different corners of the church various adults coach

groups of children on movements, exits, entrances, and the words of a song. Meanwhile in the vestry, with a bottle of wine and plastic cups to cheer them on, mothers are sorting, sewing and measuring costumes.

This is the W11 Children's Opera Group, preparing for its 17th production. It is put on — with sponsorship — to an extraordinarily high standard, demanding immensely hard work from enthusiastic amateurs (100 local children and their parents) and from the professionals who direct them.

Nicholas Kraemer, artistic director of the London Bach Orchestra and the Irish Chamber Orchestra and prin-



Diminutive diva: W11 star Jenny Cavanaugh

cipal conductor of Divertimenti, is the musical director; the stage director is Susanna Best, assistant director to the English Shakespeare Company, and the designer is Claire Kyth, currently designing *Camilla* for the West End and *Hamlet* for Liverpool.

The organisation starts in July at a fund-raising garden party and auditions take place early in September. Only one week before opening the opera is performed as a whole. "Everyone forgets everything they've done," sighs Best, "and one thinks it will never be right." For the professionals this is a strictly uncommercial project. They do it because they believe in the creative educational processes of the experience, and because they love it. Working with children like this is an enormous challenge.

"Children need a lot of

rhythm and strong times," says Timothy Kraemer, a callist, whose musical interests span baroque and jazz and rock — all of which he uses in the score. For the composer, this is a good shop window, as publishers, agents and school music teachers are regular W11 Children's Opera-goers.

At 15, Adam Suschitzky is the oldest boy taking part in the opera. With four years' experience behind him, he says he likes this year's music best of all. "The catchy tunes and use of puns make the music and words easy to memorize," he says.

Jenny Cavanaugh is 16, and has had a solo part almost every year. This year she plays Helen of Troy. "Each year I love it even more," she says. "It's hard work, and it teaches you a lot — not just the kind of things you learn at school." At eight, Hannah Shuckburgh is the youngest member of the cast: "It's very exciting," she says.

It was Serena Hughes, a piano teacher and viola player, who founded the opera in 1971, with Nicholas Kraemer. After an absence Hughes is now back — as rehearsal pianist. "Over the years it's kept its atmosphere, though it's slightly less villagey now. There are far more parents involved, and it's all more streamlined." Productions may have become more lavish and more ambitious, "but we have kept to legends because they have a timeless element."

Sarah Drummond

© Times Newspapers Ltd 1987

Ulysses and the Wooden Horse is being performed at St Peter's Church, Kensington Park Road, London W11, tomorrow and Sunday at 3pm and 5pm each day. Performances last approximately one hour. Tickets (£2 each) are available at the back of the church.

EXCLUSIVE

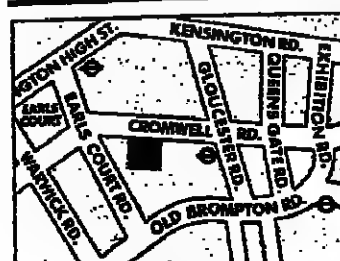
2 DAY SALE OF QUALITY FURS

ON SATURDAY 5th & SUNDAY 6th DEC. AT THE SWALLOW INTERNATIONAL HOTEL, CROMWELL ROAD, LONDON SW5.

WE ARE MEMBERS OF THE BRITISH FUR TRADE ASSOCIATION AND PRIDE OURSELVES ON OUR QUALITY, VALUE AND SERVICE. ALL ITEMS GUARANTEED.

Model Stranded Mink Coats	£1595
Full Skin Mink Jackets	£395
Luxurious Silver Fox Coats	£2450
Blue Fox Jackets	£199
Exclusive Lynx Fox Coats	£1695
Full Skin Silver Fox Jackets	£475

ALL ITEMS SUBJECT TO AVAILABILITY



147, Cromwell Road, London, SW5 Tel: 01-370 4200

HELD IN THE INTERNATIONAL ROOM AT THE SWALLOW INTERNATIONAL HOTEL CLOSE TO GLOUCESTER ROAD AND EARLS COURT TUBE STATIONS. SATURDAY 10am - 5pm SUNDAY 9.30am - 5pm


OVERSEAS BUYERS VAT REFUNDABLE ON EXPORT ORDERS. ACCESS/AMEX/DINERS CLUB/VISA AND PERSONAL CHEQUES ACCEPTED.

OPEN AT FUR TRADE HOUSE 10am - 4pm MON-FRI

HELD BY INTERCITY FURS LTD., FUR TRADE HOUSE, 25, LITTLE TRINITY LANE, LONDON, EC4V 2AA. 01-236 8454

WORLDWIDE See your travel agent for details or call us on 01-388 7661. Holidays subject to availability. Thomson Holidays Ltd. ATOL 157. AETA No. 58211.

BRUNEL FIVE TIMES A WEEK

We reach for the sky.  Smooth as silk.

Pilgrim Payne Ltd.

FOUNDED 1850

CURTAINS TAKEN DOWN, CLEANED AND RE-HUNG. CURTAIN RELINING SERVICE OR NEW CURTAINS MADE. FINE RUGS AND TAPESTRIES CLEANED IN OUR PLANT.

CARPETS AND UPHOLSTERED FURNITURE CLEANED IN YOUR HOME.

London W10 6QU ESTIMATES FREE 01-960 5656

THE TIMES INFORMATION SERVICE

This selective guide to entertainment and events throughout Britain appears from Monday to Friday, followed in the Saturday section by a preview of the week ahead. Items for inclusion should be sent to The Times Information Service, PO Box 7, 1 Virginia Street, London E1 9XN

BOOKING KEY
★ Seats available
★ Returns only
(D) Access for disabled

THEATRE

LONDON
★ **ALLO, ALLO!** Return of the year's stage version of the TV show. Prince of Wales Theatre, Coventry Street, W1 (01-338 5987). Tickets: Piccadilly Circus, Mon-Thurs 9-10.30pm, Fri and Sat 8.40-11pm, mats Fri and Sat 3.30-7.50pm, £7.50-£14.

★ **BACK WITH A VENGEANCE!** Dame Edna Everage back again during the season. Strand Theatre, Aldwych, WC2 (01-338 2860). Tickets: Charing Cross, Mon-Fri 7.30-10.30pm, Sat 8-11pm, mat Sat 2.30-5.30pm, £5.50-£17.50.

★ **BELLS ARE RINGING!** Lesley Mackie in Julie Stynes's tune-packed telephone musical. Greenwich Theatre, Grove Hill, SE10 (01-858 7755). Tickets: Greenwich, Mon-Fri 7.45pm, mat Sat 2.30pm, £3-£10.

★ **CINDERELLA!** Traditional version with Suzi Quatro as the prince and Paul J. Mordoff (ex-Kelvin from EastEnders) as Buttons. Shaftesbury Theatre, 111 Shaftesbury Avenue, W1 (01-337 3667). Tickets: Shaftesbury, Mon-Fri 7.30-10.30pm, Sat 8-11pm, mat Sat 2.30-5.30pm and 7-9.30pm, £5, child £4.

★ **LETITIA AND LOVAGE!** Maggie Smith and Margaret Tyacke wage a comic war against the modern world in Peter Shaffer's new comedy. Globe Theatre, Shaftesbury Avenue, W1 (01-337 3667). Tickets: Shaftesbury, Mon-Fri 7.30-10.30pm, Sat 8-11pm, mat Sat 2.30-5.30pm, £7.50-£14.50.

★ **LYLE!** Musical premiere of musical by Charles Strouse (composer of Annie about a New York family who adopt the croc they find in their bath). Lyric Theatre, King Street, W6 (01-338 1334). Tickets: Lyric, Mon-Fri 7.30-10.30pm, Sat 8-11pm, mat Sat 2.30-5.30pm, £5-£8.

★ **MACBETH!** Exhilarating Cheek by Jowl's new production. Kersh Theatre, 111 Shaftesbury Avenue, W1 (01-337 3667). Tickets: Shaftesbury, Mon-Fri 7.30-10.30pm, Sat 8-11pm, mat Sat 2.30-5.30pm, £5-£8.

★ **PRIVATE MEMBERS!** The two Go-Go Boys have a go at sex scandals in parliamentary pages. Half Moon Theatre, 213 Mile End Road, E1 (01-730 4000). Tickets: Half Moon, Mon-Fri 8-10pm, £3.50.

★ **SERIOUS MUSIC!** Caryl Churchill's searing musical play on City ethics. Wyndham Theatre, Charing Cross Road, WC2 (01-338 3028). Tickets: Wyndham, Mon-Fri 8-10.30pm, Sat 8-11pm, mat Sat 2.30-5.30pm, £5-£10.

★ **TWELFTH NIGHT!** The live-action musical production of Shakespeare's comedy. Young Vic Studio Theatre, 66 The Cuff, SE1 (01-528 6363). Tickets: Waterloo, Mon-Fri 7.45pm, mat 2pm, £5.

TOP FILMS AND VIDEOS

LONDON
1 (1) Cry Freedom
2 (1) Inner Space
3 (1) The Witches of Eastwick
4 (2) The Untouchables
5 (2) Best Seller
6 (3) Manon des Sources
7 (1) A Month in the Country
8 (1) Maurice
9 (1) House of Games
10 (1) Jean de Florette

Supplied by Screen International

OUTSIDE LONDON
1 The Witches of Eastwick
2 Nightmares on Elm Street III
3 Beverly Hills Cop II
4 Roxanne
5 Creepshow II

Supplied by Screen International

LONG RUNNERS: ★ The Business of Murder: Mayfair Theatre (01-338 2860). ★ Cates New London: The Apollo Theatre (01-405 0072). ★ Les And My Girl: Adelphi Theatre (01-240 7913/4). ★ Les Misérables: Palace Theatre (01-434 0059). ★ The Mousetrap: St Martin's Theatre (01-338 1443). ★ Phantom of the Opera: Her Majesty's Theatre (01-558 2244). ★ Run For Your Wife: Criterion Theatre (01-930 3216). ★ Starlight: Shaftesbury Theatre (01-337 3667).

OUT OF TOWN

DERBY: ★ Gaslight: Patrick Hamilton's classic thriller; watch out for the tell-tale gas flame. Playhouse Theatre, Eagle Centre (01-338 2860), today and tomorrow 8pm, £3.50-£5.50.

LEEDS: ★ A Chorus of Disapproval: Alan Ayckbourn's adventures in the world of amateur operatics. Playhouse Theatre, Calverley Street (0532 442111), Mon and Tues 8pm, Wed-Sat 7.30pm, £4.50-£6.

MANCHESTER: ★ Love Patrick Hamilton's classic thriller; watch out for the tell-tale gas flame. Playhouse Theatre, Eagle Centre (01-338 2860), today and tomorrow 8pm, £3.50-£5.50.

SHEFFIELD: ★ The True Story of The Titanic: A satirical comedy about the ill-fated and arrogant shipwreck. Crucible Studio Theatre, Norfolk Street (0742 769922), Mon-Sat 7.45pm, £3.50.

STRAFFORD: ★ Measure for Measure: New production of Shakespeare's play set in Vienna. Directed by Nicholas Hytner, with music by Jeremy Sams. Royal Shakespeare Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3.50-£17.50.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

STRAFFORD: ★ The New Int. Ben Jonson's exploration of the nature and honour of true love. Directed by John Caird, with music by Guy Woolfenden. Swan Theatre, Stratford (0789 255623), tonight and tomorrow, 7.30pm, £3-£13.

CRY FREEDOM (PG): Richard Attenborough's bumper bundle of exciting spectacle and moral sentimentality, with Kevin Spacey as journalist Donald Woods, drawn into the case of South African school boy Steve Biko (Denzel Washington) (156 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

DOWN FANTASY (PG): Imaginative comic fantasy from the Spielberg factory. Dennis Quaid is the misanthropic Air Force pilot implanted by error into the body of a meek grocery clerk (Martin Short). Joe Dante directs (119 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

JEAN DE FLORETTE (PG): Absorbing, beautifully acted version of Marcel Pagnol's novel about Provence. In the 1920s, with Yves Montand, Daniel Auteuil and Gérard Philipe. Directed by Claude Berling (121 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

MAISON DES SOURCES (PG): Ten years after the death of Jean de Florette, his eighteen-year-old daughter still haunts the hills overlooking the farm her father stole from her (121 min). Directed by Claude Berling (121 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

MAURICE (15): Set before the First World War, it tells a story of a young man who falls in love with a woman who is already married (140 min). Directed by James Ivory (140 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

A MONTH IN THE COUNTRY (PG): Two soldiers, battered by the First World War, come to terms with their problems in a remote Yorkshire village. Directed by Pat O'Connor, with Colin Firth, Kenneth Branagh and Natasha Richardson (104 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

ROXANNE (PG): Cynic of the 19th century and his love for a young woman, as a first-class whose nose seems to prevent true love (107 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.

THE WITCHES OF EASTWICK (PG): Jack Nicholson's satirical comedy dominates this bumpy adaptation of John Updike's clever novel about the battle of the sexes. With Susan Sarandon, Christopher Reeve, George Miller (118 min). Cannon Picture Palace (01-222 4149). Progs 2.30, 5.30, 8.20, 11.15.



The outrageously gaudy suit worn by Max Miller (above), the costumes of the male impersonators Hetty King, Vesta Tilley and Ella Shields and Bud Flanagan's fur coat are featured in *Down at the Old Ball and Bush*, a music hall exhibition at the Barbican. Other artists evoked through their props are G. H. Elliott (the "chocolate coloured coat"), whose shoes, trousers and waistcoat are on display, and Little Tich, represented by his two-foot long boots. There is a silver salver presented to New York to Marie Lloyd, a lamp used by Dan Leno in the comedy *Aladdin* and a cane and song sheets belonging to Randolph Sattton, whose famous song was "On Mother Kelly's Doorstep". Also of interest are the ledgers kept by theatres which record the engagements of music hall stars and their salaries. The artefacts come from the collection of the British Music Hall Society and are rarely put on public display. But they are due to have a permanent home in a museum being created in a restored church at Silverton in East London, opening in two years' time. *Down at the Old Ball and Bush* has been planned to complement the Barbican's big exhibition on *The Edwardian Era*. Tickets: Barbican Centre, London EC2 (01-683 4141), Monday to Saturday 11am-7.30pm, Sunday noon-7.30pm, free, until January 7.

HORNIMAN BACH! The Horniman Singers and Surrey University Players combine under the baton of Sebastian Forbes for a performance of Bach's Christmas Oratorio. St John's, Smith Square, London SW1 (01-222 1091), 7.30pm, £3.50, £4.50.

MUKULKA MUSIC! The guitarist Viktor Mukulka is heard in various items by Rodrigo, Albéniz and Bach. Wigmore Hall, 36 Wigmore Street, London W1 (01-935 2141), 7.30pm, £2.50-£5.

HINDMITH RARITY! Hindemith's excellent Gello Concerto is unearthed by Janos Starker and the BBC Philharmonic under Brydon Thomas. Fore and Aft: Mozart's Symphony No 38 "Linz" and Beethoven's Symphony No 7. Central Hall, York University, York (0904 644194), 7.30pm, £2.50-£5.

FUN IN VENICE! The Royal Northern College of Music Singers performs Lutoslawski's *Venezianische Games*, Casanova's *Kagera*, Varese's *Octave*, Grosse's *Alcina* and Grosse's *Concerto No 1*. Royal Northern College of Music, 124 Oxford Road, Manchester (061 273 4504), 7.30pm, £2.50.

LONDON BACH! Nicholas Kraemer conducts the London Bach Orchestra and Singers in a somewhat mixed bag - Albinoni's *Concerto in G*, Handel's *David*, Scarlatti's *Toccata* and a Bach *Chaconne* (Andrew Wain, piano) and Rimsky-Korsakov's *Scheherazade*. Royal Festival Hall, South Bank, London SE1 (01-928 3191, 01-928 8800), 7.30-9.30pm, £4.75, (D)

FUN IN VENICE! The Royal Northern College of Music Singers performs Lutoslawski's *Venezianische Games*, Casanova's *Kagera*, Varese's *Octave*, Grosse's *Alcina* and Grosse's *Concerto No 1*. Royal Northern College of Music, 124 Oxford Road, Manchester (061 273 4504), 7.30pm, £2.50.

LONDON BACH! Nicholas Kraemer conducts the London Bach Orchestra and Singers in a somewhat mixed bag - Albinoni's *Concerto in G*, Handel's *David*, Scarlatti's *Toccata* and a Bach *Chaconne* (Andrew Wain, piano) and Rimsky-Korsakov's *Scheherazade*. Royal Festival Hall, South Bank, London SE1 (01-928 3191, 01-928 8800), 7.30-9.30pm, £4.75, (D)

FUN IN VENICE! The Royal Northern College of Music Singers performs Lutoslawski's *Venezianische Games*, Casanova's *Kagera*, Varese's *Octave*, Grosse's *Alcina* and Grosse's *Concerto No 1*. Royal Northern College of Music, 124 Oxford Road, Manchester (061 273 4504), 7.30pm, £2.50.

LONDON BACH! Nicholas Kraemer conducts the London Bach Orchestra and Singers in a somewhat mixed bag - Albinoni's *Concerto in G*, Handel's *David*, Scarlatti's *Toccata* and a Bach *Chaconne* (Andrew Wain, piano) and Rimsky-Korsakov's *Scheherazade*. Royal Festival Hall, South Bank, London SE1 (01-928 3191, 01-928 8800), 7.30-9.30pm, £4.75, (D)

FUN IN VENICE! The Royal Northern College of Music Singers performs Lutoslawski's *Venezianische Games*, Casanova's *Kagera*, Varese's *Octave*, Grosse's *Alcina* and Grosse's *Concerto No 1*. Royal Northern College of Music, 124 Oxford Road, Manchester (061 273 4504), 7.30pm, £2.50.

LONDON BACH! Nicholas Kraemer conducts the London Bach Orchestra and Singers in a somewhat mixed bag - Albinoni's *Concerto in G*, Handel's *David*, Scarlatti's *Toccata* and a Bach *Chaconne* (Andrew Wain, piano) and Rimsky-Korsakov's *Scheherazade*. Royal Festival Hall, South Bank, London SE1 (01-928 3191, 01-928 8800), 7.30-9.30pm, £4.75, (D)

FUN IN VENICE! The Royal Northern College of Music Singers performs Lutoslawski's *Venezianische Games*, Casanova's *Kagera*, Varese's *Octave*, Grosse's *Alcina* and Grosse's *Concerto No 1*. Royal Northern College of Music, 124 Oxford Road, Manchester (061 273 4504), 7.30pm, £2.50.

LONDON BACH! Nicholas Kraemer conducts the London Bach Orchestra and Singers in a somewhat mixed bag - Albinoni's *Concerto in G*, Handel's *David*, Scarlatti's *Toccata* and a Bach *Chaconne* (Andrew Wain, piano) and Rimsky-Korsakov's *Scheherazade*. Royal Festival Hall, South Bank, London SE1 (01-928 3191, 01-928 8800), 7.30-9.30pm, £4.75, (D)

FUN IN VENICE! The Royal Northern College of Music Singers performs

Executive Editor
Kenneth Fleet

STOCK MARKET

FT 30 Share
1263.6 (-3.3)
FT-SE 100
1588.4 (-1.9)

Bargains
23323 (20499)

USM (Datastream)
127.65 (-0.11)

THE POUND

US dollar
1.8045 (-0.0105)

W German mark
2.9992 (-0.0011)

Trade-weighted
75.9 (-0.2)

Crash lays off 17 at Govett

The market crash has triggered more redundancies in the fund management sector with Berkeley Govett, the financial services group, laying off 17 members of staff at its John Govett investment management subsidiary.

Mr Arthur Trueger, the chairman of Berkeley Govett which purchased John Govett last December, said yesterday that the cuts included two fund managers. The rest are back office staff.

Mr Donald Adamson of Berkeley Govett said: "Obviously it is going to be interpreted in the light of the stock market crash. All we are doing is preventing ourselves from getting into real trouble by taking steps now."

Tomorrow's *Family Money* explains why the first anniversary of the personal equity plan could sound its death knell. Also, how is the Government getting its wider share ownership policy back on track, after the BP fiasco?

Carless soars

Carless, Capel and Leonard, the independent oil group, reported a fourfold jump in interim pretax profits to £2.2 million. An unchanged interim dividend of 1p was declared.

Paragon debut

Paragon Communications, the public relations company, is seeking a full listing on the Stock Exchange through a placing of 1.36 million shares at 80p each.

SUMMARY

STOCK MARKETS

New York	1810.01 (-38.98)
Dow Jones	22908.16 (-107.33)
Nikkei Average	2067.43 (-43.40)
Amsterdam: Gen	203.0 (-2.1)
Sydney: AO	1307.7 (-22.2)
Frankfurt: Commerzbank	1336.2 (+2.0)
Basle: General	3863.0 (-17.9)
Paris: CAC	226.0 (-4.1)
Zurich: SICA Gen	465.4 (-5.7)
London:	
FT-A All-Share	800.06 (-1.76)
FT-100	589.48 (-1.53)
FT-Gold Mines	337.0 (-4.5)
FT-Food Int'l	96.85 (+0.45)
FT-Govt Secs	89.97 (+0.12)

MAIN PRICE CHANGES

RIBBE:	
Calor Group	422p (+18p)
Coastal	311p (+13p)
Securix	250p (+20p)
News Intl	235p (+10p)
RHP	188p (+15p)
Davies & Newman	490p (+20p)
Grain	650p (+50p)
Wiggins	127p (+14p)
Cooksons	457p (+10p)
PALLIS:	
Henderson Admin	575p (-50p)
MRB	662p (-38p)
Wm Collins	550p (-25p)
Mecox Leisure	150p (-15p)
Pearson	600p (-25p)
J Jarvis	425p (-25p)
Parrish	315p (-10p)
N Brown	725p (-10p)
Griff	254p (-16p)
Broken Hill	254p (-16p)
Closing prices	

INTEREST RATES

London: Bank Base	8 1/4%
3-month interbank B11	8 1/4%
3-month eligible bills	8 1/4% - 8 1/2%
buying rate	
US: Prime Rate	9 1/4%
Federal Funds	6 3/4%
3-month Treasury Bills	5.35-5.34%
30-year bonds	9 1/4% - 9 1/2%

CURRENCIES

London:	New York:
E: \$1.8045	E: \$1.8050
D: DM2.9992	D: DM2.9992
S: Sfr2.2523	S: Sfr2.2523
E: FF10.1774	E: FF10.1774
E: Yen240.09	E: Yen240.09
E: Index75.9	E: Index75.9
ECU 10.66894	SDR 10.753330

GOLD

London Fixing:	
AM \$488.95 pm \$491.10	
Spot \$490.50-490.50	(£271.50-272.00)
New York:	
Comex \$487.40-487.50	

NORTH SEA OIL

Brent (Jan) pm \$18.15bbl (\$17.86)	
* Denotes latest trading price	
Bas Donuties 22	Traded Opta 26
Nack Market 22	Lat Treas 28
Tempos 22	Commodities 28
Comex 22	Minerals 28
City Direct 23	USM Prices 28
World Markets 26	Share Prices 29

Rates reduced to help dollar

Europe's action meets cool market response

By David Smith and John England

European central banks, in a co-ordinated move, cut short-term interest rates yesterday to stabilize the foreign exchange markets and boost confidence.

The centrepiece of the round of cuts was a half-point reduction in the West German discount rate to 2.5 per cent - its lowest ever. It was preceded by a cut in dealing rates by the Bank of England - prompting a half-point reduction in bank base rates to 8.5 per cent - and followed by official rate cuts in France, Austria, Switzerland and The Netherlands.

Mr James Baker, the US Treasury Secretary, said he was delighted with the reductions in European rates, which followed Wednesday's DM21 billion (£7 billion) loans programme announced in Bonn.

"These interest rate cuts, together with the measures announced by the Federal Reserve of Germany, should help to strengthen growth in Europe and reduce trade imbalances," he said. "They represent an important contribution to our international economic policy co-ordination efforts."

The rate cuts met with a muted response in the financial markets, however. The dollar rose by less than a penny to DM1.6615, and climbed only slightly against the yen, from ¥132.70 to ¥133.05.

In London the pound fell by just over a cent to \$1.8045. But it rose against the mark, and the Bank of England had to intervene to keep it below DM3, in spite of the cut in British interest rates. It closed at DM2.9988.

The reductions failed to lift equity markets. The FT-SE 100 index closed 1.9 points down at 1,588.4. In afternoon trading on Wall Street, the Dow Jones industrial average was down by 39.79 points at 1,809.18.

The Bundesbank said that the discount rate cut was in line with the recent downward trend in money market rates, and was intended to help stabilize the foreign exchange markets.

The timing of the Bank of England's reduction, before a discount rate decision had been announced in Frankfurt, took the money markets by surprise.

However, it was clear that the British authorities had received a clear indication from the Bundesbank before cutting dealing rates.

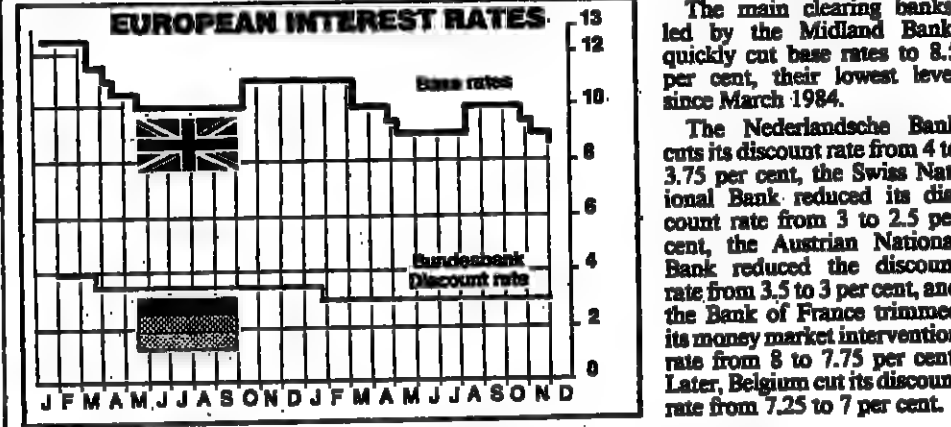
The main clearing banks, led by the Midland Bank, quickly cut base rates to 8.5 per cent, their lowest level since March 1984.

The Nederlandsche Bank cut its discount rate from 4 to 3.75 per cent, the Swiss National Bank reduced its discount rate from 3 to 2.5 per cent, the Austrian National Bank reduced the discount rate from 3.5 to 3 per cent, and the Bank of France trimmed its money market intervention rate from 8 to 7.75 per cent. Later, Belgium cut its discount rate from 7.25 to 7 per cent.

Stock markets...22
World markets...26

to intervene to keep it below DM3, in spite of the cut in British interest rates. It closed at DM2.9988.

The reductions failed to lift equity markets. The FT-SE 100 index closed 1.9 points down at 1,588.4. In afternoon trading on Wall Street, the Dow Jones industrial average was down by 39.79 points at 1,809.18.



Budget deal faces close vote

From Bailey Morris, Washington

The US House of Representatives prepared to vote yesterday on deficit-reduction legislation which is vital for the Reagan Administration's programme to force other nations to stimulate their economies.

House officials said they anticipated a bitter struggle over the legislation, with debate expected to drag on late into the night. The vote was expected to be very close.

The vote on a Continuing Resolution to fund the US government is the first test of Congressional support for the two-year, \$76 billion (£42.1 billion) deficit reduction agreement announced on November 20.

A negative vote would be a setback to the plans of Mr James Baker, the Treasury Secretary, to wrest additional concessions from other industrialized countries at a new, as yet unscheduled, meeting of the Group of Seven nations.

Concern over the deficit agreement grew as Mr Baker was accused of playing a dangerous game with the dollar by allowing it to fall sharply to pressure other nations, notably West Germany, to take expansionary measures.

The Administration's new economic plan, as articulated earlier by Mr Baker, appears to be focused on avoiding a global recession at the time of next year's Presidential elections by forcing other nations to lower interest rates, reduce taxes and generally stimulate their economies.

But Mr Nigel Lawson, the Chancellor, said yesterday that a successful G7 meeting would depend strongly on a pledge by the US and other nations to stabilize the dollar.

Mr Baker has declined so far to make this pledge, saying through Treasury officials that the US would reserve the right to refrain from an interest rate increase if it threatened a domestic recession.

A Treasury spokesman declined yesterday to comment on the Chancellor's remarks, referring journalists to earlier statements in which Mr Baker stated that he welcomed a successful G7 accord.

Key post at World Bank

By Our Banking Correspondent

Mr Don Roth, a senior executive at Merrill Lynch, the US securities house, is expected to be appointed as the new treasurer of the World Bank next week. The key post at the World Bank has been vacant since Mr Eugene Rotberg resigned last May.

World Bank sources confirmed Mr Roth's appointment is under consideration by the 22 executive directors.

Mr Roth is chairman of Merrill Lynch Private Capital, an investment banking subsidiary of the group.

He will take over as vice-president of treasury, one of the Bank's most difficult jobs, with responsibility for its capital markets borrowing operations and the management of its liquidity and reserves.

Bass rises 18% to £365m

By Alexandra Jackson

Bass, Britain's leading brewer, bucked the industry trend in the year to end-October and posted the stock market with pretax profits up 18 per cent at £365 million. Bass shares rose 12p to 789p.

Bass's larger sales - 51.5 per cent of its beer business - were up more than the industry average of 6.5 per cent. Ale sales were down.

The company refused to comment on speculation that the Coral betting shop chain, which had a dull year, might be sold.

The Horizon holiday business disappointed although it stayed in profit.

Brewing, drinks and retailing trading profits rose 20 per cent to £317.9 million on sales of £2.3 billion.

Leisure trading profits grew by 11 per cent to £68.5 million on sales of £985.3 million. Earnings per share rose 20 per cent to 71.6p. A final dividend of 14.75p was declared, making a total for the year of 19.55p. Shareholders may receive shares in lieu of dividends. A revaluation of properties threw up a surplus of £829.2 million. Bass's net debt-to-equity ratio at the year-end was 14 per cent.

Bass realized an extraordinary profit net of tax of £24.2 million.

Tempos, page 22

Royal Bank of Scotland in profit

By Richard Thomson
Banking Correspondent

The Royal Bank of Scotland yesterday comfortably beat City expectations by declaring pretax profits for 1987 of £193 million, despite a £77 million specific provision against Third World bad debts.

The profit was up 8.3 per cent on the previous year, but without the specific provision it would have been an increase of 48.6 per cent. The bank also announced a 17.6 per cent increase in the year's dividend, from 10.8p to 12.7p.

"Describing the figures as 'exceptional', Sir Michael Herries, the chairman, said: 'We are the only British bank this year to have boosted our Third World debt provisions while also producing an increase in profits. It is also the first time our shareholders' funds have topped £1 billion.'"

The provision increase takes the Royal Bank's cover for its £325 million in Third World loans to 32 per cent - greater than other British banks.

Tempos, page 22

Outside management team takes over in £72m deal

By Cliff Feltham

RHP Group, which has fought a long battle to keep Britain's world force in ball bearings under the control of a family-owned business, is pulling out of the business.

The whole operation, with 4,000 workers in seven British factories, is being sold for £72 million to an outside management team backed by the venture capital arm of Citicorp Investment Bank and Standard Chartered Bank.

The move, inspired by the City's belief that the continuing involvement in the business was dragging the rest of the group down, will enable RHP to make progress in building up its more glamorous and less volatile interests in electrical engineering and fasteners.

RHP, formed in late 1969 from three leading British-owned bearing firms, Ransome & Marles, Hoffmann Manufacturing and Pollard, in a merger



Sweet success: James Kerr Muir, Tate's new UK managing director (left) and Neil Shaw at Sugar Quay yesterday

Refined profits again at Tate & Lyle

By Carol Ferguson

Tate & Lyle reported its ninth successive year of higher profits yesterday. It attributed the performance to a recovery in the profitability of British sugar refining.

However Mr Neil Shaw, chairman, cautioned that while profits from British sugar refining had greatly improved compared with 1986, "they still do not provide an adequate return on the capital employed in the business."

At a meeting with journalists at the group's London headquarters in Sugar Quay, he said that he expected margins to improve in 1988, either as a result of renegotiation of margins with the EEC or through the benefits of capital expenditure.

Mr Shaw also announced that the group was going ahead with the construction of several factories to manufacture its new, sugar-based, calorie-free sweetener, sucralose. He said both Tate and its joint venture partner Johnson & Johnson, had approved the multi-million pound capital expenditure programme.

"We want to be able to supply sucralose immediately it is approved for sale by the regulatory authorities," he said. The plants should be in production by the time approval is received - we are still on schedule for late 1988 or early 1989."

Tate & Lyle's pretax profits rose 13 per cent to £92 million for the year to September 26. Nearly half its profits came from sweetener production in three main centres, the United Kingdom, the United States and Canada. All three areas improved markedly.

British profits jumped from £4.1 million to £14.1 million because of the end of the price war with British Sugar and improved market conditions. US profits rose from £9.1 million to £12.4 million because of a profitable beet sugar operation, while in Canada, the Toronto refinery had record throughput.

Mr Shaw said the sale of its near-15 per cent interest in S&W Berisford last September made a profit of £23 million before tax.

He also announced plans to redevelop the group's 22 acre Docklands site at Plaistow, in the East End of London, involving the relocation of Tate's small-scale operations at Plaistow Wharf.

The dividend was raised 3p to 26p net.

Legrand 'to make offer' for MK

By Our City Staff

The siege of MK Electric, the plugs and sockets group, took an unexpected turn yesterday when its "white knight," Siemens, suddenly galloped away, leaving the ground clear for the French predator Legrand.

Legrand is now saying it "intends to make an offer for MK, which is already fighting a hostile £206 million bid from RTZ Corporation. Last night MK and Legrand were locked in talks."

Siemens was brought in after RTZ snapped up 22 per cent of MK and launched a full bid worth 550p a share in cash. But less than 24 hours after MK had announced that it was talking to Siemens, with which it had close trading links, the German group, through its financial advisers Salomon Brothers, suddenly pulled out. Salomon indicated that Siemens had been unwilling to become involved in an auction for the British company.

The decision shook the MK board - which had banked on Siemens mounting a rescue operation - particularly when it discovered that Siemens had been holding secret meetings with Legrand. In a brief statement MK said it had learned that representatives of the two companies "had extensive meetings at Heathrow Airport, and discussed various proposed commercial arrangements between them. Siemens subsequently informed the board that it was no longer interested in making an offer at this time."

As a result, MK said, it broke off talks with Siemens - a statement appearing to conflict with the version of events put forward by Siemens.

Sources close to MK pointed to the coincidence in the loss of interest by Siemens after meeting Legrand, and the possibility that the two European firms may have plans for splitting up MK after a bid.

Legrand still faces an uphill fight. It has acquired a 6 per cent stake in MK.

Renamed Hanson soars to £741m

By Alison Eadie

Hanson Trust yesterday changed its name to Hanson plc, and announced a 60 per cent boost to £741 million in pretax profits for the year ended September 30.

Sales rose 55 per cent, to £6.68 billion, diluted earnings per share were 31 pence higher, at 14p, and the final dividend was raised 40 per cent, to 3p.

Lord Hanson, the chairman, said: "The opportunities for continuing growth are greater than at any time in the quarter-century of our history."

Sir Gordon White, the chairman of Hanson Industries in the United States, said: "The underlying strength of our companies has not yet reached its potential."

Hanson now ranks number eight among British corporations, and is one of the 60 largest companies in the US.

The British companies increased profits last year by 79 per cent, to £407 million, with all divisions up on the previous year. Imperial Foods, acquired with the Imperial Group in May last year, made a particularly strong showing.

Imperial tobacco showed higher sales and profit, and the company says it is holding its own in market share terms.

Building products benefited from strong demand for bricks in the continuing house-building boom, and Alders duty-free sales at Gatwick registered an all-time high with sales of £2 million in one week.

Hanson Industries increased profits by 18 per cent, to £220 million. Recent acquisitions SCM and Kaiser Cement helped offset the fall of the dollar.

The one disappointment in the figures was Endicott Johnson, the American footwear manufacturing and retailing company. Hanson is having discussions about its possible sale.

The company remains unperturbed about the exchange rate. Tempos, page 22

Confidence in our industry remains strong in spite of the uncertainty in financial markets and there continues to be a high level of activity in our operating divisions.

R W GOODALL Chairman

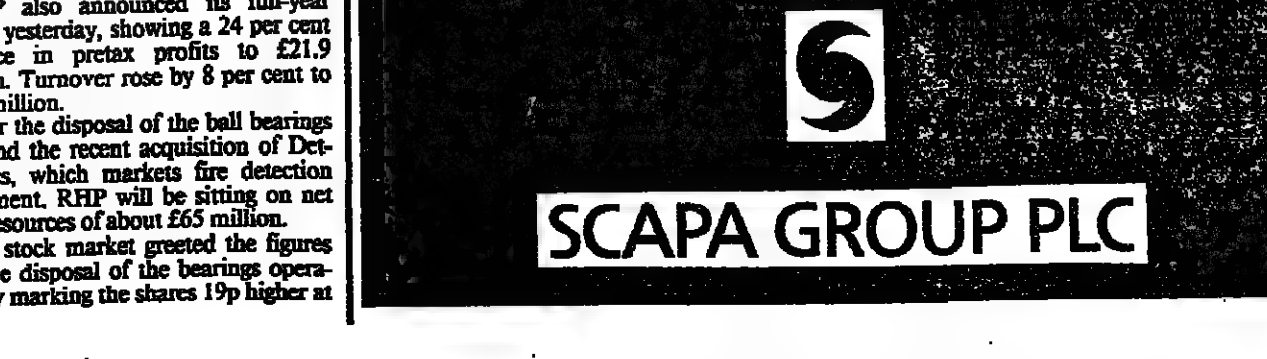
EARNINGS PER SHARE 11.1p UP 7.8%

PRE-TAX PROFITS £16.3M UP 4.6%

TURNOVER £118M UP 7.4%

DIVIDEND PER SHARE 2.26p UP 7.5%

Scapa Group plc
Oakfield House, 52 Preston New Road, Blackburn, Lancashire BB2 6AH



Record half-year profit puts BSC on course for £350m

By Edward Townsend, Industrial Correspondent

The British Steel Corporation, probably the most profitable steel producer in the world, is on course to earn profits approaching £350 million this year, it was announced yesterday.

Sir Robert Scholey, the chairman, early yesterday had given strong hints that the privatization of the corporation would be brought forward, but refused to be drawn on exact timing. The sale decision was announced later in the House of Commons. The sell-off is expected to raise up to £1 billion.

Sir Robert, announcing record profits for the half-year to October after all charges of £190 million, said: "We are now waiting for our owners. It was disappointing that we did not come up from the election manifesto because we wish to be privatized. We are

sufficiently profitable to operate alone and wish to go now."

The half-year figure is more than three times higher than the £60 million recorded a year ago and in excess of the entire 1986-87 net profit of £178 million.

The BSC has an accumulated deficit of about £1 billion but the restructuring of the balance sheet was a matter for the government, Sir Robert said.

The corporation was well managed and had a well paid workforce, he said. The average steelworker's wage, including overtime and bonus, was now £230 a week, 10 per cent up on a year ago. Under the new bonus scheme operating throughout the corporation, workers can qualify for between 4 per cent and 18 per cent of average earnings

every quarter depending on their plant's performance. In the case of the high volume works, such as Teesside, workers have been receiving up to £400 a quarter.

The main problem facing the steel-making industry in Europe is the continuing need to restructure in the face of European Commission demands for a reduction in hot rolling capacity of 30 million tonnes.

So far there is no agreement between member states and the Commission is threatening to abandon the present system of production quotas if the Council of Ministers fails to reach agreement at a meeting on Tuesday.

Sir Robert said that while the BSC wanted to return to a totally free market it was, unlike the British government, in favour of some

quotas until restructuring was complete. Maintenance of price levels was the most important factor, he said. The BSC was seeking to be allocated another 360,000 tonnes of quota a year.

Restructuring had to be tackled without further direct or indirect subsidies to avoid jeopardizing the companies that emerged as viable after the trauma of the 1980s.

The Government has effectively guaranteed the continued existence of all BSC's integrated steelworks, including the threatened Ravenscraig plant in Strathclyde, for the time being. Yesterday Sir Robert said that BSC policy towards its plant configuration was "steady as we go". The workforce is now 31,200, down by 800 since the start of the year.

The half-year profit was "a

further and impressive step forward" but the board was not euphoric, particularly as there could be some recessionary period ahead.

The continuing weakness of the US dollar had made raw material prices cheaper, but this was only a temporary respite, Sir Robert said.

Mr Martin Llewellyn, BSC's chief executive, said the corporation needed profits of £350 million "to be able to pay our owner something on his investment". Profits of £200 million a year would sustain the present £275 million capital spending plan and the board was now considering lifting investments to £300 million a year.

Britain's strong economy led to a 16 per cent rise in BSC's home market sales to £1,276 billion in the six months.

COMMENT Kenneth Fleet

Round Two cuts leave sullen bears growling

It may have been an accident of timing for Britain to lead the co-ordinated cuts in interest rates round Europe yesterday. If so, it was a happy accident. For Nigel Lawson can take credit for leadership in the Western world's response to the crash in world stock markets.

On interest rates, at least, Britain has not been in the easiest position to take initiatives. There is strong tension — not present in Germany — between the policy that would be suited to present conditions of lax credit and slight overheating, and policies needed to avoid a feared recession a year ahead.

That dilemma was not lost on the gilt-edged market yesterday. Early gains in conventional bonds were swiftly reversed, while index-linked issues perked up at the thought of higher inflation. In the money markets too, demand kept rates above the level indicated by the forced base rate cut, longer-term rates moving higher than one-month money.

To make matters worse, currency markets took the opposite tack, obliging the Bank of England to sell sterling against the mark to stop the pound rising inconveniently. A half point cut from 9 per cent was not judged equal to half a point off 3 per cent.

The Chancellor's gamble is well worth taking and there can be no argument about his right to resume his place as master of ceremonies. He swiftly and rightly pointed the finger back at the US Treasury. To complete the circle of international response, the Americans should abandon their love affair with dollar devaluation. It is important for the US to back dollar stabilization by word and deed.

It may not be any easier to prod the US into action. Recent utterances from the US Administration — yesterday in the person of Trade Representative Clayton Yeutter — make it clear that export growth from a super-competitive dollar is being offered as a political quid pro quo for budget cuts.

Japan has been excused from the latest fiscal/monetary round on account of good growth in domestic demand. Tokyo still has an important trade contribution to make to reducing imbalances. If early negative reactions to Gatt judgements against its processed food quotas are translated into policy, the protectionist danger will rapidly resurface, undoing much of the good work.

Even these difficulties pale beside the task of convincing sullen financial markets. The momentum of gloom has become such a juggernaut that each political response is deemed too little and too late. It is hard to imagine that anything like today's depression could have developed if present policies had been in place two months ago. But once the market has looked in the mirror and

seen the bear, it cannot stop growling.

Yet the international policy readjustment has been swift and remarkable by most standards. It is now time the analysts realized the difference between accepting that and indulging in outdated false optimism.

Channon digs in

The efforts of B-Cal to escape the clutches of British Airways looked yesterday to have run into formidable opposition from Paul Channon, the Transport Secretary. During a day of hectic activity surrounding the now revised, partial takeover from the Scandinavian SAS group, it was easy to overlook the small print of Mr Channon's statement which indicates a position that SAS will find difficult to shift. The Channon line is not based on any specific level of SAS shareholding in a newly reconstituted B-Cal, but on matters of principle.

Without doubt the most sensible solution for B-Cal's current feeble financial position would be a full merger with a much stronger partner. But the revocation of B-Cal's licences which would follow makes the foreign option a non-runner. Hence the original plan for SAS to acquire 40 per cent of B-Cal as part of a sorely needed capital reconstruction.

Mr Channon would withhold consent for two main reasons. First the project would open the way for foreign governments to refuse to accept B-Cal as a British-controlled airline under the bilateral agreements currently in force. It would be against British aviation interests if the Government were then forced to designate another airline in place of B-Cal/SAS.

The real stumbling block is the ownership of SAS, half of which lies with the governments of Sweden, Norway and Denmark. It would be neither right nor conducive to fair competition in Mr Channon's view if having privatized BA earlier this year, the Government then allowed another state-owned carrier to acquire a significant degree of control over B-Cal.

Given that B-Cal would be dependent for some time on its new partners for financial support, Mr Channon is unlikely to shift his stance simply because SAS will have only 29.5 per cent of B-Cal under the revised plan. He who plays the piper will expect to call the tune.

BA's £137 million offer is far from dead. Even if B-Cal manages to find a way around the Channon barrier, it then has to persuade its shareholders that the SAS deal is better financially. Since this may involve selling part of their shares and then digging into their pockets in support of a rights issue, the attractions are by no means obvious.

Coalite Group ahead at £17.5m

By Lawrence Lawer

Coalite Group, whose activities range from smokeless fuel manufacture to sheep farming in the Falklands, yesterday reported an increase in half-year profits before tax, from £14.4 million to £17.5 million.

The increase was achieved with a lower contribution to profits from interest and similar income. This was £3.49 million, as against £4.43 million.

Turnover of £291 million was swayed by last November's £99 million purchase of the Hargreaves fuel distribution and shipping group. In the first half last year turnover was £182 million. The company says that it has successfully integrated the Hargreaves fuel operations with its Charrington Fuels subsidiary.

Increased operating efficiency in the company's smokeless fuel business has enabled it to keep the price of Coalite constant, for the second successive year.

Coalite, which is chaired by Mr Eric Varley, the former Labour minister, increased its earnings per share in the six months to September 30 to 11.45p (10.73p) and is paying an interim dividend of 2.5p (2.25p).

It says that profits for the full year "will be dependent on the weather and the level of consumer demand".



Cleaning up: Eugene Anderson, head of Johnson Matthey, with JM's autocatalyst (Photograph: Dennis McNeelance)

Matthey lifts profits by record 41%

By Colin Campbell

Johnson Matthey, the precious metals group which, through its biomedical division, is conducting anti-Aids tests, turned in record results for the six months ended September. Group operating profits rose from £21.4 million to £31.1 million and helped by a much reduced interest charge, pretax profits grew by 41 per cent, to £30.5 million.

The interim dividend is being lifted from 2p to 2.5p a share, and on the stock market

yesterday the shares advanced from 225p to 235p.

Mr Eugene Anderson, the chief executive, said that the group had been restored to financial health after earlier troubles with its now-shelved banking division, and in the past three years JM had repaid bankers £400 million.

Gearing had been significantly trimmed, and now that the group was enjoying a strong cash flow, "Acquisitions will play an important part in our growth."

Johnson Matthey takes a generally positive view of platinum and of its role in the autocatalyst market. The metal is used to help remove dangerous fumes from car exhaust emissions. The company says dollar movements have had only a marginal impact on results, and that more benefits from the recent rationalization measures are yet to be felt.

JM's results are another positive pointer to next week's interim figures from Charter

Consolidated which, assuming the full conversion of all of JM's preference shares, has a 34.85 per cent stake in the group.

Net borrowings at September 30 were £78.2 million, compared with £165.4 million a year earlier, and £127.1 million at the March year-end. The net interest charge in the interim period was down from £5.8 million to £1.6 million.

JM is building a new European autocatalyst plant in Brussels.

Mecca buys Ladbroke holiday camps

By Joe Joseph

Mecca Leisure Group is buying Ladbroke Group's holiday centre and catering interests for £55.1 million. Mecca, which runs several night-clubs as well as Warner holiday camps, said the acquisition would double its share of the British holiday centre market, to 6 per cent.

The deal is the first big purchase by Mecca since it was bought out by its management from Grand Metropolitan and floated on the stock market last year. It complements Mecca's plan announced in August, to spend £25 million over the next two

years to create two restaurant chains.

"This move meets our aims of expanding our catering and holiday activities," Mr Michael Guthrie, chairman and chief executive of Mecca, said yesterday.

"By the end of this year, we will see our business shift from being 50 per cent dependent on social clubs, to one third dependent on social clubs, one third on our holiday business and one third on the entertainments division."

Mr Cyril Stein, the chairman and managing director of Ladbroke, said: "The sale is in

keeping with our policy of disposing of businesses which are peripheral to our core activities of hotels, property, racing and DIY retailing."

News of the acquisition accompanied figures showing that Mecca's pretax profits had risen 80 per cent, to £14.9 million, in the year to September 30 on little-changed turnover of £128.7 million. Earnings per share were up 31 per cent to 13.1p. Shareholders will receive a final dividend of 2.15p, making 3.65p in all.

Mecca's acquisition will be met by £50 million cash and the balance in shares. The cash

portion will be financed by a loan of up to £30 million and a two-for-seven rights issue of 21.9 million new shares at 140p.

Mecca will get Ladbroke's 17 holiday villages, mostly on the coast in Devon, Cornwall and East Anglia. These made an operating profit last year of £5 million.

It will also acquire Ladbroke's Astey's business, comprising 16 hotels, restaurants and bars in South Wales and a food concession in The Tower of London. Astey's operating profit was £600,000 last year.

True story of family fortunes

If grandfather Abraham Coppel were alive, he would be a very proud man. A Russian immigrant who ran a furniture retailing business in Belfast, he brought his five children up with the motto: "If you always tell the truth, you won't have to remember the lies." And it seems to have paid dividends. Of his 11 grandsons, five became chartered accountants, with more than their fair share of the Midas touch when it came to business. Michael Coppel is the chief executive of USM-quoted Airstream Group, the bedding and furniture company which unveiled record results this week, and his brother Ronald is the executive director of the Australian Stock Exchange. Their cousins Laurence, Edwin and Andrew Coppel are, respectively, managing director of merchant bank Singer & Friedlander, managing director of USM-quoted Hampton Properties and finance director of jewellery chain Ratners. "I can remember my grandfather well," says Michael. "He taught both us and our fathers that integrity was more important than anything else, and having that instilled in us has certainly helped." But where now, I wonder, for the great-grandsons?

Bubbly bonus

Analysts who fear the depressing prospect of their Christmas bonuses biting the dust because of the stock market collapse were offered something of a consolation prize

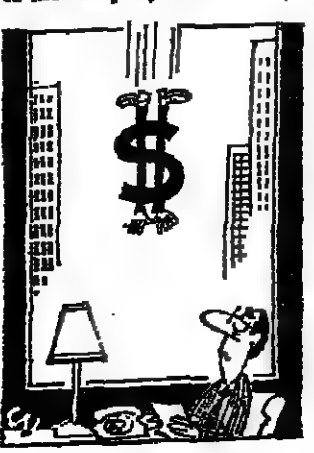
THE TIMES CITY DIARY

Sum mistake by Bank

The Bank of England is having trouble with Britain's overseas assets — estimating their size that is. In the Old Lady's *Quarterly Bulletin* published last month, the Bank said Britain had net overseas assets of \$186 billion, exceeding those of even the mighty Japan, which had \$179

billion. Some days later, a rather embarrassed correction appeared from the Bank, giving a new figure of \$162 billion for Britain, comfortably below Japan. The trouble is the Bank still hasn't got it right. According to our own calculations the correct figure should be \$170 billion.

yesterday. Unglamorous old RHP Group is selling the backbone of its business, its bearings operation, and has decided, as a result, that it ought to change its name. The company's chief executive, Roger Pinnington, who gave the news to the City yesterday, is offering a case of vintage champagne to any analyst who comes up with a suitable alternative name for the group. All suggestions, please, to the company.



A big step for Ward

Directors of public companies often complain bitterly that their critics in the Square Mile have no practical experience of running companies. But they will no longer be able to say that of SG Warburg director Michael Ward, who this week became executive chairman of Dublin-based shell Edenderry Group. Ward, aged 39, who had in any case run his own property development business alongside his merchant banking career — which spanned Morgan Grenfell and Samuel Montagu before he arrived at Warburg seven months ago — has sunk £600,000 of his own money into Edenderry in return for a 16 per cent stake. He is one of a consortium of investors who have taken over the Irish shoe manufacturer and distributor, with one of the other investors being its managing director, Jeremy Howarth, erstwhile Ladbroke Group treasurer. "I will be staying at Warburg in a non-executive capacity," says Ward, "and I may well return to the City at some stage, but for the time being Edenderry will be my full-time job." The company will expand into commercial and leisure-linked property such as hotels and pubs, and several acquisitions are already on the way.

Many US investors seem surprised by the crash, according to a new poll. Sixty-five per cent reckoned their financial status had stayed the same and only 28 per cent complained of a setback. Four per cent think they're better off.

Carol Leonard

Extracts from the Chairman's Statement

NEIL SHAW
Chairman & Chief Executive

"Earnings per share were up from 57.3p to 75.6p, a substantial 32% increase."

"The foundation of the Group's overall improvement was profit recovery in the UK sugar refining businesses supported by solid performances in molasses and specialty feeds, mulling and bulk liquid storage. In North America, profits increased 22%, from US\$64 million to US\$66 million."

"1988 will be a very important year for sucralose. We have already made a commitment to significant investment in manufacturing facilities to produce stocks in advance of commercial launch."

"Tate & Lyle's involvement in North America is not driven by short term objectives but is a long term commitment to two of the world's richest countries."

THE YEAR IN BRIEF

	1987	1986
Turnover	\$1,701m	\$1,645m
Profit before tax	\$82.0m	\$81.3m
Profit after tax attributable to shareholders	\$52.7m	\$39.7m
Extraordinary profit (loss)	\$17.2m	(\$12.9m)
Earnings per share	75.6p	57.3p
Dividends per share	26.0p	23.0p
Dividend cover	2.9 times	2.5 times

* Before extraordinary profit (loss)

Preliminary announcement of results for the period ended 26th September 1987

Copies of the Annual Report for the period ended 26th September 1987 will be mailed to shareholders shortly and will be available from: C.P. McFie, Secretary, Dept. F.R.A., Tate & Lyle PLC, Sugar Quay, Lower Thames Street, London EC3R 6BQ.

STEEL SHAPES UP.

British Steel's results were good last year. This year they're even better.

Our 1987 first-half profits are bigger than they were for the whole of 1986.

This, as our Chairman observes, "represents a further and impressive step forward for British Steel".

By following a step-by-step strategy, we've put ourselves in the first rank of world steelmakers. We're one of the most profitable integrated steel companies in the world.

Our aim is simply stated:

to provide manufacturing industry with high-quality steel, competitively priced, delivered on time and backed by first-rate customer service.

This year, the strength of the UK economy has led to higher overall demand for steel: our UK deliveries are 16 per cent up on the first half of 1986. And we've maintained a high level of exports against fierce competition.

These achievements have taken effort and understanding on all sides. And we couldn't have got this far without genuine enthusiasm from workforce and management alike.

However, as our Chairman warns, we mustn't be complacent.

There's still need to rationalise excess steelmaking capacity in the Common Market; so that the whole industry, not just British Steel, can become more cost-effective.

And the present shape of the US dollar gives everyone cause for concern.

In short, we'd better keep doing the exercises.

If you'd like to know more about the shape of British Steel, send in the coupon.

To British Steel Information Services,
9 Albert Embankment, London SE1 7SN.

Please send me a copy of your interim results.

Name

Address

Postcode

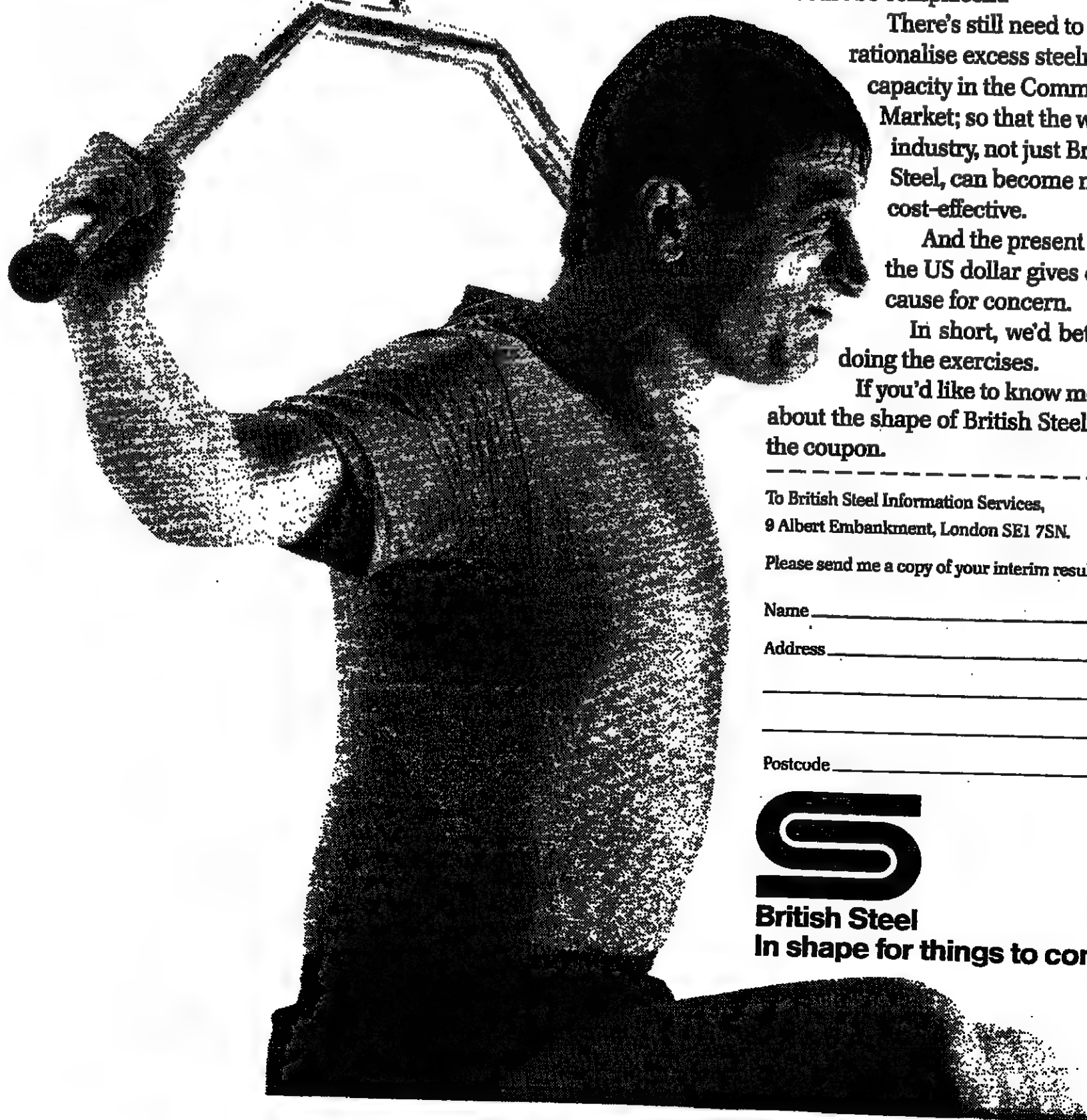
S

British Steel
In shape for things to come

1987-8 (first half)
£190m PROFIT

1986-7 (year)
£178m PROFIT

1985-6 (year)
£38m PROFIT



1987-8 (first half)
£190m PROFIT

Brussels — 1992 and all that (III)

Wooing the multinationals

Lord Young this week stressed the trading benefits of a united Europe.

Continuing his series, John Raven assesses the position of big business

Multinational company chairmen must figure largely among the "rather less than a dozen" notables that Lord Young has earmarked for initial consultation in his "Back 1992" campaign.

What sort of business constituency do these callings of the corporate culture represent? What guidance are they likely to offer the Secretary of State for Trade and Industry?

They start from a position of confused national identity. What is a "British" multinational? One can point to ICI and BP, but even such giants as Unilever and Shell are only 50 per cent true blue.

All the same, Ford and IBM are hardly alien or un-British. Profits may siphon off to the United States, and policy directives may come down the pipeline from Detroit and Westchester County, but direct and indirect employment stays here, and the Treasury obtains many useful pounds of taxation flesh.

To such companies, British-based or not, the Internal Market is at once a promised land and a half-way house. For ICI, with more than half its chemical turnover outside continental Europe and Britain, full EEC liberalization is still only one — admittedly important — element in a global marketing strategy.

Conversely, even the mighty IBM has to take full account of the effects of opening up a Community where it employs 100,000 people and collects half its net

earnings. Against these perspectives, most of the advice likely to be given Lord Young is fairly predictable.

Multinationals long to see the end of physical internal frontiers, and the even more costly hidden barriers of national technical standards.

In some cynical respects, abolishing these might seem to be no great multinational deal. By building up major "naturalized" plants in most member states, operating complex, versatile computer systems, and concocting "special position" arrangements with customs and other fiscal authorities, multinationals now move their goods about within the EEC with very much more ease than do their smaller-scale unilingual rivals. Freedom for all, 1992-style, could blunt this competitive edge.

But multinationals are not isolated monsters. Their purchases and sales focus and fertilize sizeable industrial and service communities of smaller enterprises. Their own well-being hangs on the health of their trading environment.

They too, bark their business shins on those physical and technical frontiers. Apart from cramping physical distribution style, national compartmentalization boosts stock levels. Phillips calculates that 30 per cent of its capital is tied up in stocks, and claims that EEC-wide standards and open borders could free a handy chunk of this to irrigate research and job-creation.

So multinational chairmen will be assuring Lord Young of their complete support for the



Lord Young: may find company chairmen to be "valuable allies and forceful counsellors"

1992 programme. But the real point of the Community — for, at any rate, EEC-based multinationals — lies in what happens when that longed-for internal market-day finally comes round.

The Rome Treaty shows that the founding fathers saw this only as a necessary stage in a much longer process — to promote throughout the Community "a harmonious development of economic activities, a continuous expansion in stability [and] an accelerated raising of the standard of living."

Multinationals, too, see 1992 as a beginning, not an end. They lust to wrap the strength of a market of 320 million people around them, as they go forth to clout the vigorous Yankee and outwit the ingenious Japanese.

They know, for example, that those 320 million Europeans buy 30 per cent of the world output of information technology, but sell only 10 per cent. They agree with Commissioner Lord Cockfield that setting this and other imbalances to rights will call for an opening-up of public procurement, intensification of joint research programmes and rationalization of national fiscal policies, coupled with better management of international money markets by development of the EMS and a much more dynamic EEC external trade policy.

They will lobby Lord Young for some gentle massaging of the Community's competition rules. Commissioner Sutherland is not above slapping multi-million pound fines on such nice fellows as ICI just

large enough for worldwide competition.

In any event, the Commission needs to give these companies a clear steer, at all stages of liberalization, between accepted definitions of conspiracy and co-operation.

Multinationals may well think that some of the Commission's repressive talents could be usefully directed to keeping a keener eye on anti-dumping rules.

How will the multinationals plough their own 1992 furrow? Any business organization bending to that task has to meet a number of interacting needs. It must identify and interpret relevant developments in Community legislation and key European Court decisions. It must influence EEC negotiations, not only to defend itself, but also to improve proposals.

The multinationals are well placed on all counts. They can afford legal specialists to monitor, check and interpret Community legislation. They can sniff out new openings by linking this information to Community-wide marketing networks.

They enjoy political pole position and take the inside influential bend, not only with their own home governments, but also with those of other EEC countries.

Most multinationals have their own man in Brussels with a nice taste in claret and correspondingly congenial contacts with key characters in all the Community institutions.

So, as he publicises 1992, and negotiates his way towards it, in Brussels and other foreign parts, Lord Young could find our multinational monarchs to be valuable allies, as well as forceful production and trading units

Holmes à Court stake sale under scrutiny

From Richard Battley, Sydney

Mr Robert Holmes à Court's Aus\$125 million (£48.26 million) stake sale yesterday of his remaining stake in Pioneer Concrete Services is being investigated by the National Companies and Securities Commission.

A spokesman for the NCSC, Australia's corporate watchdog, said yesterday that Pioneer, which purchased 38.8 million shares from Neoma Proprietary, would have to answer "several questions" today in the interest of an informed market.

Neoma is a subsidiary of Bell Group, Mr Holmes à Court's flagship. The Companies Code prohibits companies from buying or funding the purchase of its own shares. It may, however, buy another company which owns its stock, if it sells that stock within 12 months.

Political pressure is growing here to enable companies to trade in their own shares and analysts believe the laws will be changed to allow this shortly.

Sir Tristan Antico, the Pioneer chairman, yesterday was adamant that everything his company had done was "above board."

"After working with barristers and receiving legal advice, we feel it is not outside the spirit of the law," he said.

Mr Holmes à Court also

sold to Pioneer the 7.2 per cent stake in Ampol held by Bell Resources. Ampol is a subsidiary of Pioneer.

Pioneer paid Aus\$83 million for the holding, the same amount Bell Resources paid Mr Larry Adler's FAI Insurance for it in August.

On Wednesday, Bell Group sold another strategic parcel of Pioneer shares. It repaid Aus\$218 million for 66.4 million shares but is refusing to reveal the identity of the buyer or buyers.

Analysts believe the parcel was sold to "white knights", one of whom was CSR. However, the sugar and buildings product group will neither confirm nor deny this.

Bell yesterday disclosed that it had lost Aus\$76 million on its Pioneer holdings.

A spokesman added that the group did not intend to dispose of any other assets, reiterating the familiar Bell line that the funds from asset sales, totalling Aus\$1.4 billion since the stock market crash, would enable it to capitalize on "opportunities."

Asked to elaborate, he said: "When the weather is fine and the time is right."

Attention now focuses on Wednesday when Mr Holmes à Court will address the Bell Group annual meeting in Perth.

Tunstall still aims for Diffusion link

By Colin Campbell

Tunstall Group, supplier of emergency communication systems such as Lifeline to the elderly, is still anxious for a merger with Sound Diffusion, the board says in its year-end statement.

However, Tunstall adds that it still has not sufficient information to be able to evaluate Sound Diffusion, in which it holds 6.9 million shares, though further details are promised with the annual report.

Tunstall yesterday turned in pretax profits of £5.84 million for the year ended September 30, compared with £4.59 million, on turnover up from £25.1 million to £29.5 million. The final dividend is raised from 1.68p to 2.25p a share, making 3.25p (2.48p) for the year.

There was a general improvement across the group, and a continuing improvement in performance is expected in the current financial year.

Tunstall will continue to invest heavily in the development of new markets and products. The board says the April purchase of Adcon Convenience Centres for £1.7 million and the acquisition of Sunthorne Electronics have provided new channels of distribution and an introduction to the fire alarm market. Prospects remain "excellent", the board adds.

Tunstall says it supports recent board changes at Sound Diffusion, and will continue to pursue discussions with the company.

NEW INTEREST RATE

Base Rate

Will be reduced by 0.5% to 8.5% per annum with effect from 4th December 1987.



Midland Bank

Midland Bank plc, 27 Poultry, London EC2P 2BX

Jarvis Porter rises 41% to £1.35m

Jarvis Porter Group, the labelling and packaging company, yesterday announced a 41 per cent increase in both turnover and profits before tax for the six months to August 31.

Turnover was £15.8 million and profits £1.35 million compared with £11.2 million and £0.96 million respectively in the corresponding half last year. Earnings per share rose from 4.1p to 5.2p and the company recommends an increase in the interim dividend from 1.3p to 1.4p.

The company says trading has been "buoyant" in most areas, apart from conventional labels.

Hunter Saphir up 23% at halfway

By Alison Eadie

Hunter Saphir, the food manufacturer and distributor quoted on the Unlisted Securities Market, made pretax profits of £1.9 million in the six months to September 12, a rise of nearly 23 per cent, on turnover 79 per cent higher at £87.4 million.

The interim dividend was raised to 1.35p from 1.05p. Fresh produce had a very disappointing half year, the company said, with the poor summer reducing demand for salads and soft fruit.

Bad weather damaged summer crops, especially in the South-east of England, and Hunter Farms' fruit and arable farming was hurt by heavy summer rain.

Produce profits for the whole year would be depressed, the company said, but added that progress had been made in the potato operations which would benefit the second half.

The results include Emile Tisot Foods, the frozen food acquisition, from the middle of May.

Results achieved by House of Clarks Group, the Butterist popcorn company, which was acquired in October, will benefit second-half figures.

Hunter Saphir said that in view of its growth and shareholding base it was applying for a full listing on the Stock Exchange.

S&W Berisford, the sugar to commodities group, owns 20 per cent of the company.

BASE LENDING RATES

ASB	9.00%
Admiral & Company	9.00%
BCCI	9.00%
Consolidated Grds	9.00%
Co-operative Bank	9.00%
C. Hoare & Co	9.00%
Hong Kong & Shanghai	8.50%
Lloyds Bank	8.50%
Nat Westminster	8.50%
Royal Bank of Scotland	8.50%
TSB	9.00%
Citibank NA	8.50%

The Royal Bank of Scotland Group plc

RECORD PROFITS

	Year ended 30th September 1987	1986	Change
	£m	£m	%
Profit before taxation			
Profit before exceptional item	274.2	184.5	+48.6
Exceptional provisions against loans to rescheduling countries	(77.0)	—	—
	197.2	184.5	+6.9
Profit attributable to ordinary shareholders	128.2	118.2	+8.5
Earnings per 25p ordinary share before exceptional item	63.2p	41.6p	+51.9
after exceptional item	45.0p	41.6p	+8.2
Dividend per 25p ordinary share	12.7p	10.8p	+17.6

- Record profits despite exceptional provisions
- Total assets £19.1 billion
- Shareholders' funds exceed £1 billion

The Report and Accounts 1987 will be posted to shareholders on Thursday, 17 December 1987.

UNILEVER N.V.

4% REDUCIBLE CUMULATIVE PREFERENCE SUB-SHARES OF FL 12 ISSUED BY N.V. UNILEVER NEDERLANDSE ADMINISTRATIE: 84 TRUSTKANTOOR

The dividend for 1987 of 4% (FL 48) per share will be paid on and after 4 January 1988 to the holders of the certificates on presentation to the following banks:

Midland Bank plc, Stock Exchange Services Department, Mariner House, Peeps Street, London EC3N 4DA.

Northern Bank Limited, 2 Waring Street, Belfast BT1 2EE.

Alfred Irish Bank plc, Securities Department, Stock Exchange, Bank Centre, Balfringe Dublin 4.

Chiflet Bank PLC, 30 St Vincent Place, Glasgow.

Separate forms are available for use by banks, UK firms of stockbrokers, Solicitors or Chartered Accountants (a) by other claimants. Notes on the procedure, in each case, are printed on the forms.

Full details of the dividend may be obtained from the above named banks on and after 28 December 1987.

EXCHANGES of original shares for certificates of sub-shares and vice versa will be SUSPENDED from 17 December 1987 to 31 December 1987 both days inclusive.

Certificates will only be accepted for exchange after 31 December provided that all dividends declared prior to that date have been received.

N.V. NEDERLANDSE ADMINISTRATIE: 84 TRUSTKANTOOR

The dividend will be paid on and after 4 January 1988 against surrender of the original shares to the following banks:

Midland Bank plc, Stock Exchange Services Department, Mariner House, Peeps Street, London EC3N 4DA.

For more information please contact: INTRASERVICE B.V., Rotterdam, Tel: (0)10 - 467 44 55; Telex: 27436 intra nl.

7 8 9 10 11

7 8 9 10 11

THIS NOTICE DOES NOT CONSTITUTE AN OFFER FOR SALE AND THE STOCKS LISTED BELOW ARE NOT AVAILABLE FOR PURCHASE DIRECT FROM THE BANK OF ENGLAND. OFFICIAL LISTING IN THE STOCKS ON THE INTERNATIONAL STOCK EXCHANGE ARE EXPECTED TO COMMENCE ON THURSDAY, 20 DECEMBER 1987.

ISSUES OF GOVERNMENT STOCK

The Bank of England announces that Her Majesty's Treasury has created on 2nd December 1987, and has issued to the Bank, additional amounts as indicated of each of the Stocks listed below:

£50 million 2 1/2 per cent INDEX-LINKED TREASURY STOCK, 2003

£50 million 2 1/2 per cent INDEX-LINKED TREASURY STOCK, 2009

£50 million 2 1/2 per cent INDEX-LINKED TREASURY STOCK, 2013

The price paid by the Bank on issue was in each case the middle market price of the relevant Stock at 3.30 p.m. on 2nd December 1987 as certified by the Government Broker.

In each case, the amount issued on 2nd December 1987 represents a further tranche of the relevant Stock, ranking in all respects *pari passu* with that Stock and subject to the terms and conditions applicable to that Stock, and subject also to the provision contained in the final paragraph of this notice, the current provisions for Capital Gains Tax are described below.

Application has been made to the Council of The International Stock Exchange for each further tranche of stock to be admitted to the Official List.

Copies of the prospectuses for the Stocks listed above, dated 22nd October 1987, 19th October 1987 and 15th February 1985 respectively, may be obtained at the Bank of England, New Issues, Watling Street, London, EC4M 9AA.

The Stocks are repayable, and interest is payable half-yearly, on the dates shown below (provision is made in the prospectuses for stockholders to be offered the right of early redemption under certain circumstances):

Stock	Redemption date	Interest payment dates
2 1/2 per cent Index-Linked Treasury Stock, 2003	20th May 2003	20th May
2 1/2 per cent Index-Linked Treasury Stock, 2009	20th May 2009	20th May
2 1/2 per cent Index-Linked Treasury Stock, 2013	16th August 2013	16th August

Both the principal of and the interest on the Stocks are indexed to the General Index of Retail Prices. The Index figure relevant to any month is that published seven months previously and relating to the month before publication. The Index figure relevant to the month of issue of 2 1/2 per cent Index-Linked Treasury Stock, 2003 and 2 1/2 per cent Index-Linked Treasury Stock, 2009 is that relating to February 1982 (310.7); the equivalent Index figure for 2 1/2 per cent Index-Linked Treasury Stock, 2013 is that relating to June 1984 (351.9). These Index figures will be used for the purposes of calculating payments of principal and interest due in respect of the relevant further tranches of stock as provided for in the prospectuses, the calculations will take account of the revision of the Index to a new base of January 1987 = 100 (on the old base the Index for January 1987 was 394.5).

The relevant Index figures for the half-yearly interest payments on the Stocks are as follows:

Interest payable	Published in	Relevant Index figure
May	October of the previous year	September
November	April of the same year	March
February	July of the previous year	June
August	January of the same year	December

Each further tranche of stock will rank for a full six months' interest on the next interest payment date applicable to the relevant Stock.

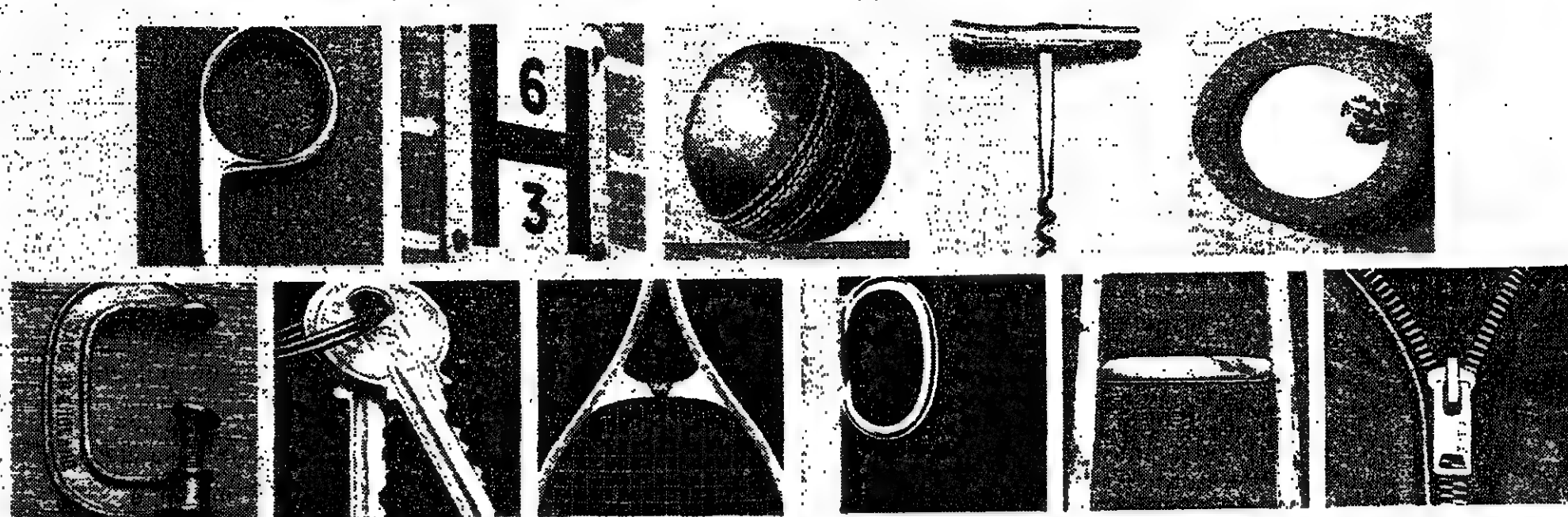
Each of the Stocks referred to in this notice is specified under paragraph 1 of Schedule 2 to the Capital Gains Tax Act 1979 as a gilt-edged security (under current legislation exempt from tax on capital gains, irrespective of the period for which the Stock is held).

Government statement
Attention is drawn to the statement issued by Her Majesty's Treasury on 29th May 1985 which explained that, in the interest of the orderly conduct of fiscal policy, neither Her Majesty's Government nor the Bank of England or their respective servants or agents undertake to disclose tax changes decided on but not yet announced, even where they may specifically affect the terms on which, or the conditions under which, these further tranches of stock are issued or sold by or on behalf of the Government or the Bank; that no responsibility can therefore be accepted for any omission to make such disclosure; and that such omission shall neither render any transaction liable to be set aside nor give rise to any claim for compensation.

BANK OF ENGLAND
LONDON

2nd December 1987

سكرا من الواصل



ONE FAX CAN SPOT THE DIFFERENCE.

These days, most faxes print type rather well. Some faxes can even do justice to a screened half-tone photograph.

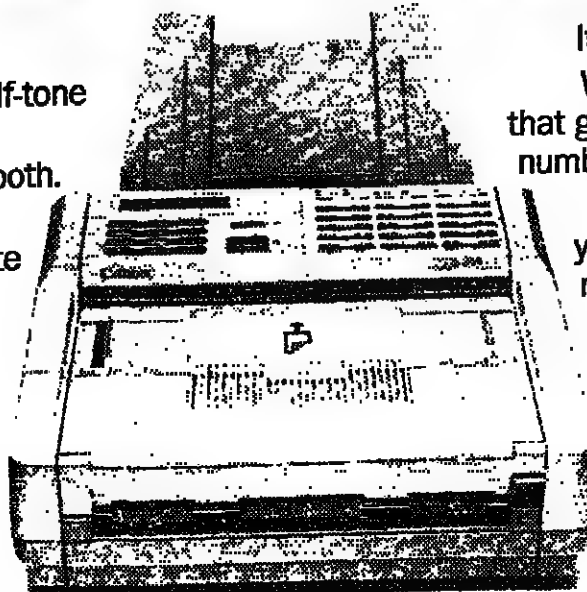
The new Canon 410, on the other hand, can do both. And at the same time.

Its remarkable CCD image scanner can differentiate between text and photography, and react accordingly. It will print type in solid black and white.

And it will print pictures in sixteen shades of grey. (Plus black and white, of course.)

It even automatically adjusts the contrast, to give you the best definition possible.

And while the Canon 410 is no bigger than a portable typewriter, it can handle paper sizes up to A3.



It can even adjust the size to suit the receiving machine. Which it can reach in 12 seconds, thanks to a memory that gives you one or two-touch dialling for up to 130 different numbers worldwide.

And should you be transmitting to a Canon 730 Fax, you can use it to relay your message on to an infinite number of destinations throughout the world.

If you'd like more details about the Canon 410, we'll be happy to oblige. If you just want the fax, we'll be happier still.

Write to Mary Drewery at Canon (UK) Ltd., FREEPOST EM 8749TG, Manor Road, Wallington, Surrey SM6 1BR. Alternatively, dial 100 and ask for Freefone Canon UK.

I F A N Y O N E C A N Canon C A N



FOREIGN EXCHANGES

کذا عن الامام

Confidence on the critical frontier

Revolution for Russia 70 years ago also marked the independence of Finland, but only recently have the Finns turned the bear-hug into a trade association of unequal but respectful neighbours. Peter Strafford reports

Seventy years after declaring its independence, Finland today exudes the confidence of a country whose time has come. There have been turbulent times during those 70 years, and periods when it was far from certain that Finland would survive as an independent country, overshadowed as it was, and still is, by its giant neighbour to the east.

But it did survive, and it did more than that. It is now one of the more prosperous countries of Europe, with a standard of living still below that of Sweden, but above that of Britain and France.

It has a stable political system, an efficient welfare state, and an advanced, increasingly technological economy based on exports.

Though only a small country, with less than five million inhabitants, it has also established its identity in the world of the arts. Finns have made their name in architecture, design and, most recently, music.

Most crucial of all, it has stabilized its relations with the Russians. It has done so by a realistic assessment of Moscow's age-old sense of vulnerability to the threat of invasion, and a deliberate policy of neutrality, often misunderstood, which is designed to put those fears at rest — the Paasikivi-Kekkonen line, named after the two presidents who created and institutionalized it.

The result is that Finland, a flourishing liberal democracy, shares a border of almost 800 miles with the Soviet Union, and both sides are happy with their relations. For the Finns, trade with the Soviet Union serves a useful purpose in balancing their much greater trade with the West.

On its side, Moscow appears finally convinced that there is no threat to them, and

specifically to Leningrad, from Finland's being used as a base for military invasion.

The Russians have refrained in recent years from the overt pressures they still used in the 1960s and 1970s in order to influence Finnish political life, and have stood by uncomplainingly as Finland has become increasingly involved in the economic life of the West.

Finland has long been a full and active member of the Nordic group. It is a member of the Organization for Economic Co-operation and Development, the European Free Trade Area, and such organizations as the European Space Agency.

The contrast with what has happened in eastern Europe is marked, and one that the Finns, not a naturally subdued or modest people, are happy to point out.

They appreciate that there are differences of geography, and that the Nordic area does not have the key strategic importance for the Soviet Union of central Europe.

There are also certain limitations on their action. Finland could not, even if it wanted, become a member of the EEC, still less of Nato.

But that price is one that they are ready to pay. And their belief is that it is essentially because of the extremely tough fight which they put up in the two Finnish-Soviet wars of 1939-40 and 1941-44 — and which earned them the avowed respect of Stalin — that the Finns have remained independent.

The Russians could ultimately have occupied Finland then — and could do so today — but in both cases the cost would have been unacceptably high.

If the Finns believe that they know the Russians better than most, it is because relations between the two peoples



Splendour in the city: The Lutheran Cathedral in Helsinki. Above right: Finland's President Koivisto meeting the Soviet leader, Mikhail Gorbachev, in the Kremlin this year

go back centuries — to Viking times.

Vikings from Sweden travelled along the south coast of Finland and down into what later became Russia; and in due course there were clashes between them and the growing power of Novgorod, leading to centuries of warfare between Sweden and Russia, most of it fought on Finnish territory.

The Finns, a people of partly Asian origin who spoke a non-Indo-European language, and lived mainly among the forests and lakes, became in due course part of the Swedish kingdom.

Then, in 1808, by which time many settlers of Swedish origin had established themselves there, Finland began its closer association with Russia: it was transferred from the

Swedish to the Russian crown, becoming an autonomous grand duchy under the Tsar.

The relationship worked well as long as the Russians left the Finns alone, which they did for much of the 19th century. But that changed at the turn of the century, when St Petersburg began a policy of "Russification", and by 1917 the Finns had had enough.

On December 6, 1917, just after the October Revolution, the Finnish Senate declared independence, and that was accepted by Lenin.

It was not the end of the story, however. In January, 1918, the Finnish Reds in their turn carried out a revolution and occupied Helsinki, supported by the Bolsheviks.

The Whites regrouped at Vaasa in the north and, with

German support, emerged the winners in a traumatic civil war which left scars for a many years. Finland had retained its independence, but at a price.

The Winter War of 1939-40, when the Russians invaded Finland, and the Continuation War of 1941-44, when the Finns invaded Russia in the forlorn hope of regaining the territories lost in the earlier war, were a further trial.

But they served to overcome the divisions within the country and, though Finland emerged bloodied, with 87,000 dead, the loss of 12 per cent of its territory, and a heavy programme of reparations to be made to the Soviet Union, it



KEY DATES IN FINNISH HISTORY

6,800 BC: First known human settlements
AD 100: Tacitus refers to the Finns, possibly Lapps
9th century: Viking raids begin in Gulf of Finland area
1155: King Eric IX of Sweden launches crusade to Christianize Finland. An Englishman, Henry of Uppsala, becomes first Finnish bishop
1382: Finland given participatory role in kingdom of Sweden. Swedish law in force
1808: Finland occupied by Russians
1908: Finland becomes autonomous grand duchy under Tsar Alexander I
1917: Finnish Senate declares independence on Dec 6. Ac-

cepted by Lenin on Dec 31
Jan 1918: Revolution by Finnish Reds leads to civil war, won by Whites in May
1939-40: Soviet invasion leads to Winter War and loss of Finnish territory
1941-44: Continuation War: Finns attack Soviet Union alongside Germans. Reach separate peace in 1944
1948: Treaty of friendship, co-operation and mutual assistance signed with Moscow
1955: Finland joins UN and Nordic Council
1961: Finland becomes an associate member of EFTA
1967: Finland joins OECD
1973: Finland signs free trade agreement with EEC

Finland has its strikes, and for many years its governments were notoriously unstable. But that has not been the case recently, and it is remarkable that the present Finnish government is essentially a coalition between two apparent adversaries, the Conservatives of the National Coalition Party, and the Social Democratic Party.

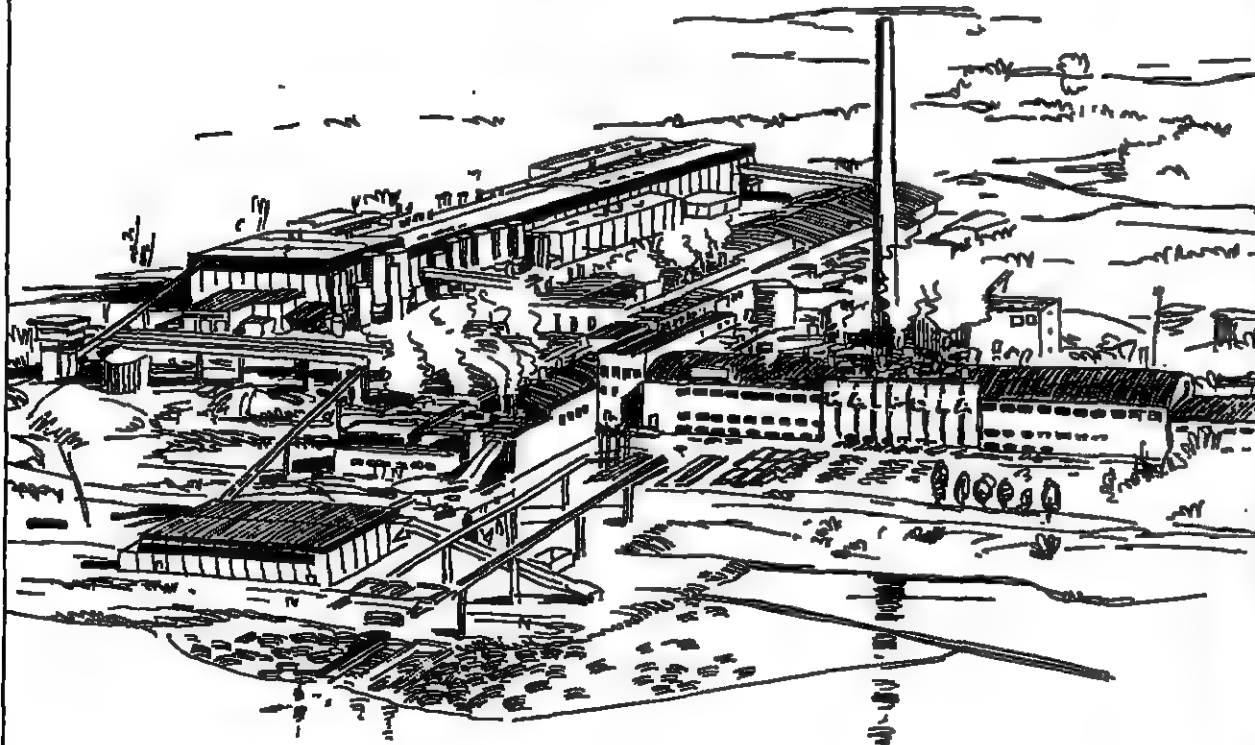
Significantly, both parties have also in the past been the object of anathemas from Moscow, now lifted.

The problems that face the government are not so different from those that face other advanced European countries — among them, adaptation to the changes in the pattern of modern economic life, and in particular the relative impoverishment of the north and east of Finland as modern industry sets itself up in the more accessible south.

Externally, it is concerned to retain its access to the markets of the member countries of the EEC as the Community moves towards establishing its internal market, since standards set in Brussels affect countries such as Finland, Sweden, Norway, Austria and Switzerland, which remain outside.

Solutions will not be easy. But the problems are bound to seem minor when compared to those faced by the Finnish government when it embarked on independence seventy years ago or, even more, those of 1939 and 1945.

PRINTING PAPERS WORLDWIDE



The world's biggest machine producing lightweight coated printing papers has just gone into operation at our Kaipola mill complex in central Finland. We are now major producers of all the main printing paper grades, with an annual capacity in excess of 1 million tonnes. One of our most important markets is the United Kingdom, where we've been suppliers to major publishers for many years.

We are constantly seeking to improve our service as a supplier of top-quality newsprint and magazine and directory papers to customers throughout the world. To this end we've just completed a major modernization programme at our Jämsänkoski and Kaipola mills in Finland; it's also the reason why we built the Shotton newsprint mill in North Wales.

But we're not stopping there. Now that the new Kaipola LWC mill is completed, we plan to install a second newsprint machine at Shotton - with start-up scheduled for late 1989.

UNITED PAPER MILLS

Group Headquarters, P.O. Box 40, SF-37601 Valkeakoski, Finland.

NESTE CRYSTALLIZED

NESTE is the largest oil refiner and chemicals manufacturer in Scandinavia.

NESTE CHEMICALS is one of the biggest producers of polyethylene and polypropylene in Europe. Neste Chemicals also makes petrochemicals, PVC, polystyrene, polyesters and industrial chemicals.

NESTE TRADING is one of the world's leading oil traders, with well established operations in Europe, the USA and the Far East.

NESTE SHIPPING owns the most modern fleet in the world specializing in the transportation of crude oil, oil products, gas and chemicals in exacting arctic waters.

NESTE BATTERY'S production programme includes starting batteries, industrial batteries, and complete auxiliary power and solar energy systems.

NESTE operates worldwide. The Corporation produces and sells energy products and chemicals in western Europe and has commercial operations in almost every corner of the globe.



Neste Oy/Corporate Head Office: Keilaniemi, SF-02150 Espoo, Finland
Tel. +358 04501, telex 124641

FOCUS

The arch-enemies unite to govern

Amazingly, Finland's two biggest rival parties have successfully joined in government, reports OLLI KIVINEN

Finland is now engaged in an unprecedented "blue/red" coalition experiment, which has brought two former arch-enemies, the National Coalition Party (Conservatives) and the Social Democratic Party, into the same cabinet.

It has survived seven months without major difficulties and most observers predict that the coalition, which also includes two smaller parties, the Swedish People's Party and the Rural Party, will last until the 1991 parliamentary elections.

In fact, the co-operation between the Social Democrats and the Conservatives has succeeded better than expected and the parties have found that they have much in common because both draw their support from wage-earners and both are moderate urban parties which benefit from stable conditions.

Co-operation with the Conservatives did, however, cause a nasty shock for the Social Democrats in the metal workers' union elections in October, when the Communists almost captured the control of this crucially important union. Since then the Social Democrats have raised their profile and reminded their voters over and over again that government cooperation does not lead to ideological surrender.

The blue (for Conservatives) and red (for Social Democrats) coalition caused a major shock in Finland's political life when President Mauno Koivisto used his extensive powers and personal prestige after the general election last March to break the centre-left mould of Finland's government policies.

The Centre — formerly Agrarian — Party had played a decisive role in all Finnish coalitions for 50 years, but was now left out in the cold. This was because Mr Koivisto wanted to give the Conservatives a change after they had been in the political wilderness for two decades, mainly because of former President Urho Kekkonen's dislike of them.

Mr Koivisto chose Mr Harri Holkeri, former chairman of the Conservative Party, to head the four-party cabinet, formed in May, which is

supported by 131 of the 200 MPs in the Eduskunta (Parliament).

According to the latest opinion poll both the Conservatives and the Social Democrats have been able to increase their support since the formation of their coalition.

This extended honeymoon has been helped by the fact that the country's economy has been running smoothly and efficiently, and the government has not been forced to make any controversial decisions.

Mr Holkeri's test will come next year, however, when the annual price and income negotiations are opened, the tax reform bill must be passed and the dispute about worker participation in industrial democracy must be solved.



Harri Holkeri: Prices and incomes test

On its side, the Centre Party has been getting used to opposition politics, and it has been able to increase its support. The Communists, on the other hand, are facing worse and worse. They are now officially split into two parties, the Eurocommunist Finnish Communist Party (SKP) and the Stalinist Democratic Alternative (DEVA), and their total strength has fallen to around 12-13 per cent of the vote.

For the next two months Finland's political life will be revolving around the presidential election on January 31 and February 1. The constitution gives the president a dominant position in the country's life, and in normal circumstances the election is fought fiercely.

This time, however, the election has turned into an unusual show of shadow boxing. President Koivisto's overwhelming popularity has forced his rivals to set their sights on the next election, to be held in 1994.

Consistent opinion polls show that over 60 per cent of voters support Mr Koivisto, who has not even opened his

campaign. His closest rival, the prime minister, Mr Holkeri, is second with 12-13 per cent and Paavo Väyrynen, the Centre Party leader, a poor third with 5-9 per cent.

Finland is overwhelmingly non-socialist, but many non-socialists will vote for Mr Koivisto, a Social Democrat, as they did in 1982, when he received 47 per cent of the vote.

His popularity is based to a large extent on the fact that he is identified as the leading force behind the present economic boom. In addition, he has been given credit for successfully achieving the transition to normal political life after President Kekkonen's 25 year-long reign, a process which had aroused some apprehension.

So Mr Holkeri and Mr Väyrynen, who are the most prominent non-socialist leaders, are now jockeying for position in the hope of winning the presidency after Mr Koivisto.

At present Mr Holkeri has the upper hand, because he won the race for the prime minister's office after the general election. Mr Väyrynen's popularity has plummeted since then, and he faces an uphill battle to regain his credibility.

The presidential election will be the first conducted under the revised election system, and this creates some uncertainties and apprehension. If one of the candidates receives more than 50 per cent of the popular vote he will be elected right away.

If no majority winner emerges, the president will be chosen by 301 electors, and that means that when they vote people will be asked to use two ballots, one for the president and one for the elector.

Research has shown that many voters intend to use only their direct vote. This means that the chosen electors may not reflect the strength of the candidates, and this would in theory give other candidates a chance if Mr Koivisto is not re-elected directly by popular vote in the first round.

The most recent poll, conducted at the end of October for the *Helsingin Sanomat*, showed that 62 per cent of voters would choose Mr Koivisto, which means that he would be elected outright. Experience shows, however, that party affiliation plays a more dominant role the closer the election is, and the race is widely believed to be closer than that.

Good chance for UK exports

With the growth of its economy, Finland has shown a voracious appetite for advanced technology, particularly in data communications.

The Finnish market for high-tech systems is estimated to be growing by 20 to 25 per cent a year. And since 70 per cent of it is imported, there is plenty of scope for British exporters, provided they can beat the competition.

Some of them are already taking advantage of it, but more could be done.

Perhaps the most distinctive feature of the scene is the telecommunications system. Like other Nordic countries, Finland has long had a much more advanced telephone system than Britain: more facilities are available at the touch of a button, telephones are ergonomically designed, and Finland has one of the highest densities in the world of telephone ownership.

The first fully digital switching system in Europe was installed in Finland in 1982, and there is a highly competitive, well-organized telecommunications industry.

It is also unique, however, in having an arrangement, dating back to the last century, when Finland was under Tsarist rule, by which there are no fewer than 58 private telephone companies in addition to the state-owned Posts and Telecommunications operation, all keen to do business.

Each company is allowed to provide services within its own zone, one of them being the

Lapland presents a special challenge

In the far north, Lapland presents a particular challenge because of its vast open spaces, scattered population and harsh climate.

In the aftermath of the Second World War much of its infrastructure had been destroyed in the fighting between the Finns and the retreating Germans, and everything had to be rebuilt, starting with the telephone poles.

Since then, not only has the most modern equipment been installed, with a digital exchange at Rovaniemi and an optical fibre link between there and Kem, but about 100 solar-powered public telephones have been set up in the wilds of northern Lapland.

Attached to cottages, they are available to anyone to use, whether Lappe with their herds of reindeer or travellers in the wilderness.

There is also an automatic telephone network — the NMT 450, or Nordic Mobile Telephone, developed jointly by the Nordic countries — for

A fund of good will for Britain

use by people with their own mobile telephones.

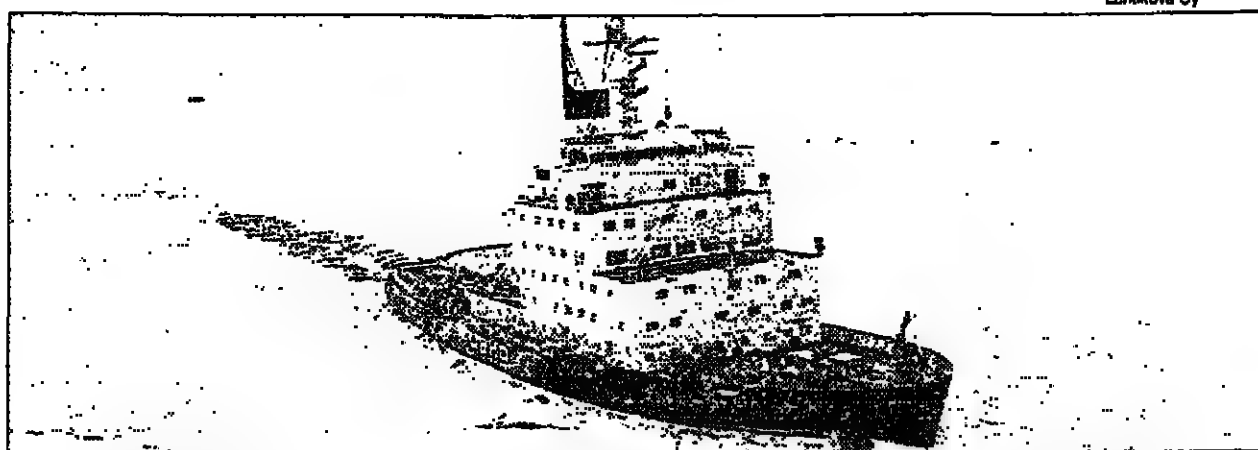
Competition for all high-tech orders is stiff. At present Britain accounts for only some 8 per cent of Finnish imports of automatic data processing equipment and electronic components.

But GEC Video Systems have sold the P & T eight compression codes, originally designed for British Telecom, which transform a video signal so that it can be carried by a telephone line, and are used in providing videoconferencing links.

CASE Communications of Watford, which specializes in making systems for the transport of business information, has established itself by making a distribution agreement with a leading Finnish company, Jertec. Between them, CASE and Jertec have won an estimated 70 per cent of the Finnish market for multiplexers (which divide a data channel into two or more independent fixed channels of lower speed) with the CASE product.

There is a fund of good will towards Britain, but it is un sentimental. British exporters have to live down the image of being unreliable suppliers. They also have to reckon with the fact that, whereas in this country technological knowledge and sales technique are often kept separate, in Finland a salesman is expected to know the technology of what he is selling. He will often be sent away if he cannot answer some probing questions.

Peter Strafford



An ice-breaker which uses updated technology in the fight to keep the sea lanes open all year round

Shock waves from the October stock-market plunge have not seriously affected Finland's economic optimism, and most indicators show that the country can expect growth of 3.5 per cent in its GNP this year, writes Olli Kivinen.

This means that Finland celebrates her 70th anniversary amid wealth that is almost incomprehensible to the older generations, who know from experience the state Finland was in in 1945: a largely agricultural country which had been thoroughly impoverished during the war.

The postwar years have seen a change from near starvation to a competitive high-tech society climbing rapidly towards the top in the European standard of living competition.

This wellbeing does not seem to be threatened now because Finland is far less dependent on changes in the stock market than most other market economy countries. Shares in Helsinki's tiny stock market lost 17 per cent of their value in four weeks, but this is not expected to be reflected in manufacturing output before the latter part of 1988.

Finland's postwar economic success has been based on export of manufactured goods, and indicators are healthy in this crucial area. Total output is growing briskly, the stock of new orders is good, unemployment

Surviving the market crash

ment, which stands at 5.3 per cent, continues to fall, and 3.5 per cent inflation is near the international average.

This year has actually been a showcase for Finland's much-debated economic consensus policy. Previously only foreign policy was based on wide consensus, but during the last decade this consensus has spread also to economic policies, and this once unruly country has begun to resemble Switzerland or Sweden.

Finland's economy has lately been managed with the help of wide-ranging and moderate wages and incomes agreements between the government, the unions and the employers, and the results have been impressive: the growth rate has averaged more than 3 per cent, which is among the highest in the Organization for Economic Co-operation and Development.

On the other hand, critics of the economic consensus say that it has improved the lot of the well-off and well-educated while others have been forced to cope as well as they can with sharp structural changes. For instance, more and more people have been moving

south to the fast growing technological centres, while many traditional industries have faced increasing difficulties, closures and lay-offs.

Managing this structural change has become one of the most debated subjects today, and next year's wages and prices agreements, due to be negotiated in the spring, will show if the present consensus can continue.

This year's budget estimates, calculated before the stock market plunge, were optimistic, and the government decided to move from stimulative to neutral economic policies. Last year it chose stimulative policies, partly because it faced a general election in March, but this year's results have shown that that was not necessary.

The estimates show GNP growing 3 per cent next year, compared with this year's 3.5 per cent, and unemployment falling to 5 per cent. The more recent uncertainties in Western markets will force Finland to lower these growth estimates somewhat, perhaps to 2.5 per cent.

Meanwhile fluctuations and the fall in the price of oil have caused increasing difficulties

in Finland's trade with the Soviet Union. This trade is conducted on a bilateral barter basis, and the books must always balance at the end of a given period.

Since Finland's imports from the USSR consist almost entirely of oil and other raw materials, because most Soviet manufactured goods are not competitive, Finland's exports fall whenever the price of oil falls. Soviet trade, which the Finns regard as very important balancing factor, because it is not affected by Western recessions, has fallen well below 20 per cent.

Both parties have, however, made a political decision to keep the trade on a reasonable level. To achieve this, new credit facilities and other temporary measures have been established.

Finnish exporters look at the Gorbachov reforms with mixed feelings. On the one hand they want to move towards a more liberal trading system based at least partly on convertible currencies. At the same time they know that reforms mean increased competition with other exporters compared with the relatively soft barter trade.

Most are confident, however, that liberalization will enable them to increase their market share, because their goods are competitive everywhere in the world, and they know the Soviet market better than other Westerners.

NOKIA-MOBIRA — LEADER IN CELLULAR TELEPHONES

No matter what your particular needs in cellular mobile telephones are, you will find at least one company able to supply every type of cellular mobile telephone network in the world. That company is Nokia-Mobira. So whether your network is NMT, TACS, AMPS, R-2000 or NETZ-C, Nokia-Mobira can provide you with compatible end user equipment.

Nokia-Mobira's cellular telephones — the Mobira Talkman® and Mobira Cityman® — have set market standards around the world. They together have helped make Nokia-Mobira one of the world's leading suppliers of cellular mobile telephones.

Our market area is world-wide. In Europe Nokia-Mobira products are sold in the Nordic countries, the United Kingdom, Ireland, France, Austria, the Netherlands, Turkey and Switzerland. On the South-East Asian market we have secured a remarkable market share in Malaysia, and activities have also started in Thailand, Hong Kong and the People's Republic of China.

And interestingly enough, Nokia-Mobira is the only European mobile telephone manufacturer to have established a footing in North America, the most competitive market in the world.

So if you go for mobile telephones, go for the best and choose Mobira. Let's keep in touch.

NOKIA-MOBIRA

Head Office, P.O. Box 86, SF-24101 SALO
Tel. int. +358 24 6101, Telex 6823 mobi sf

Eternal Quest — Future Force

With annual sales of FIM 12 billion and a worldwide staff of 30 000, Nokia is a leading manufacturer of both professional and consumer electronics, ranging from colour televisions and cellular mobile telephones to office automation equipment, optical fibres, and telecommunications systems for both public and private networks.



From start to Finnish.



The Finns come to Britain for more than the Lombard RAC Rally.

During 1987, the Finnish Paper Industry came to Cornwall for large amounts of china clay from ECC International.

Like their rally drivers, Finnish Papermakers are very careful in their selection of suppliers.

Both for filling and coating their papers the Finns expect the highest quality consistent materials



available on the market. These have to be supported by an excellent local team on the ground, by a full technical back-up service devoted to making the best use of the materials currently available and in the development of appropriate new products. In other words a supplier service that leads the field at every stage — from ECC International.

ECC INTERNATIONAL LTD., JOHN KEAY HOUSE, ST. ALSTELL, CORNWALL, PL25 4DJ, ENGLAND.
TELEPHONE: ST. ALSTELL 74482, TELEX: 45526 ECCSAU G.
REPRESENTED IN FINLAND BY ECC INTERNATIONAL OY, P.O. BOX 17, SF-00101 HELSINKI, FINLAND.

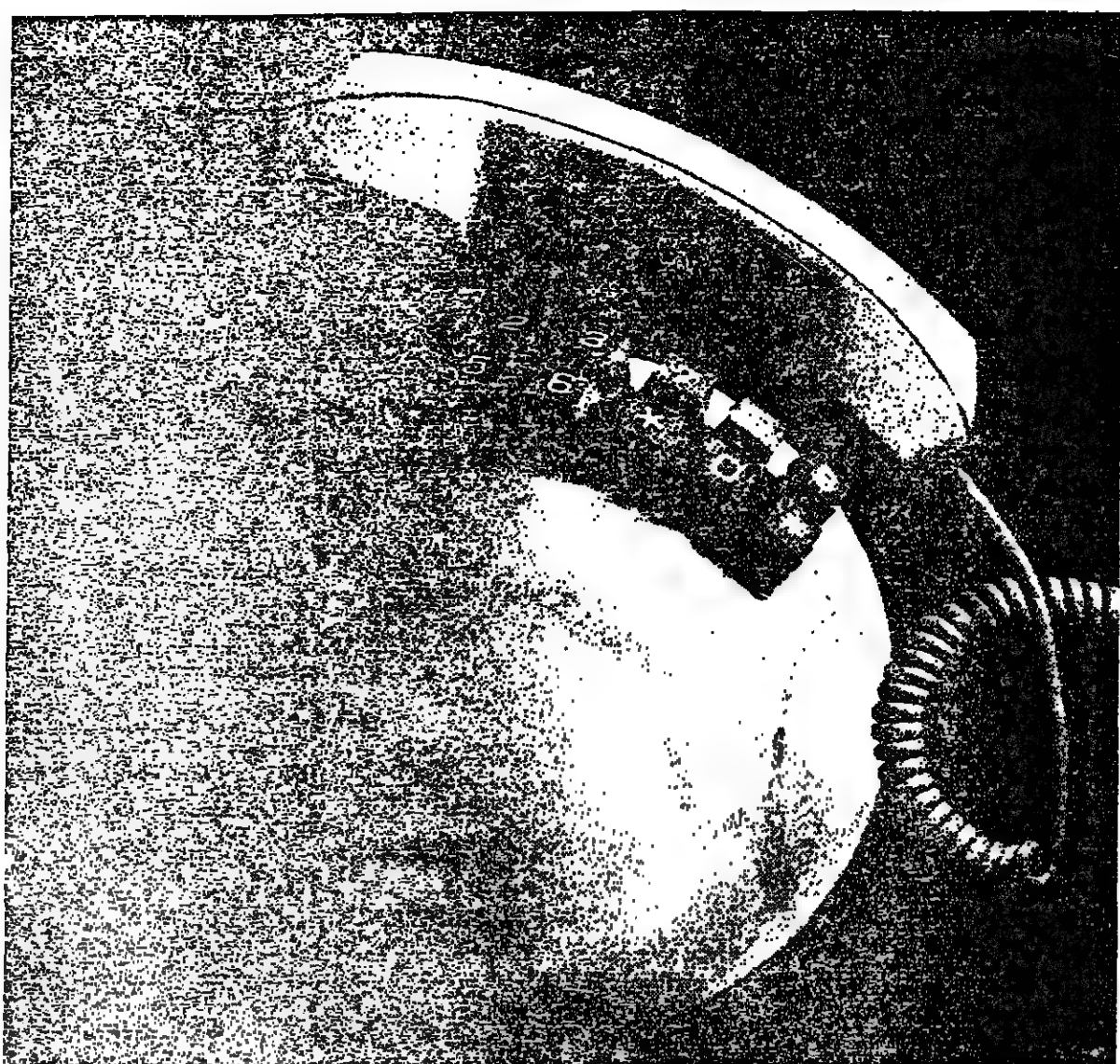
Now 12 flights a week London-Helsinki

More services than ever to satisfy the needs of the business traveller

FINNAIR

14 Clifford Street, London W1X 1RD Telephone 01-408 1222

Kansallis Banking Group - The Nordic Countries' Leading Financial Expert



Kansallis-Osake-Pankki, the parent company of the Kansallis Banking Group, is the largest manager of international loan facilities in the Nordic countries. Successful operations this year have shown that its international position has further strengthened.

The Kansallis Banking Group's London, New York and Helsinki offices are also specialists in trade, corporate and project financing. Kansallis expertise, especially in project financing, is utilized from the South Pacific to the Arctic.

Moody's Investors Service gave an Aaa rating to Kansallis' medium-term certificates of deposit issued on the American market. Only 35 banks in the world have this rating and Kansallis-Osake-Pankki is the first bank in the Nordic countries to earn it.

The Kansallis Banking Group works for you in the Cayman Islands, Frankfurt, Hong Kong, London, Luxembourg, Moscow, Nassau, New York, Singapore, Stockholm, Tokyo, Zurich and Helsinki.



KANSALLIS BANKING GROUP
KANSALLIS-OSAKE-PANKKI

Aleksanterinkatu 42, SF-00100 Helsinki, Finland
Tel. +358 0 1631, telex 124412

POSTIPANKKI FOR CORRESPONDENT BANKING SERVICES IN FINLAND

Postipankki's effectiveness in handling your international payments is unmatched. In addition to our worldwide correspondent bank network, we enjoy the special advantage of the postal giro system in all of Scandinavia and Western Europe.

Our foreign correspondents and customers also find it convenient that practically all Finnish companies have an account relationship with us. Funds are forwarded to the recipients easily without delay.

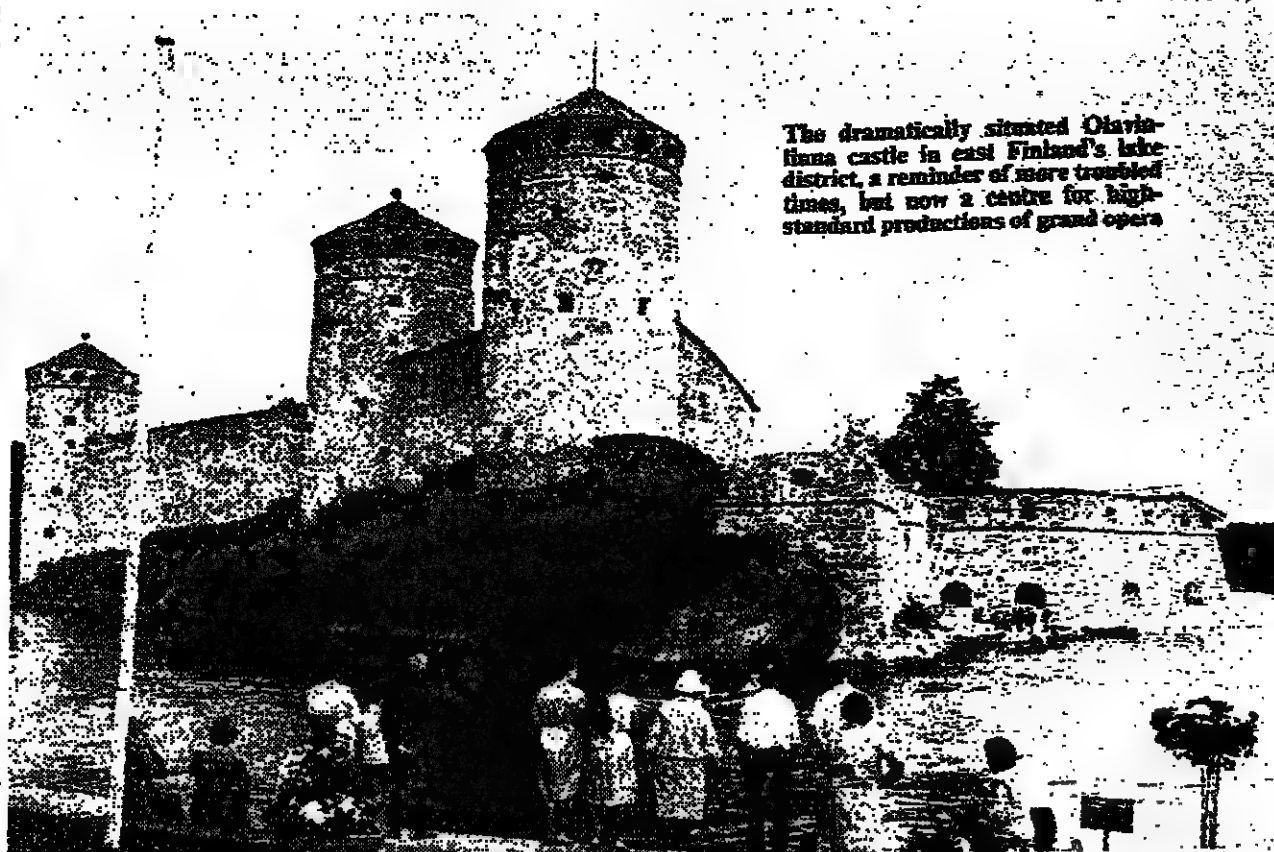


POSTIPANKKI

Unioninkatu 20, 00007 Helsinki, Finland
Telephone Int +358-0-1641, Telex 121698 PGIRO SF

FINLAND/3

FOCUS



The dramatically situated Olavinlinna castle in east Finland's lake district, a reminder of more troubled times, but now a centre for high-standard productions of grand opera

Peter Strafford uncovers the history behind a handsome castle

Finland is now a peaceful, prosperous — and relatively expensive — country to travel in. It has towns of great architectural and historical interest — Helsinki, Turku and Tampere are only the largest — vast expanses of lakeland and forest, and a long coastline dotted with hundreds of rocky islands, large and small.

But it was not always so peaceful, as its heavily fortified castles show. One in particular, the dramatically situated Olavinlinna in the lake district in the east of Finland, is a reminder of more troubled times, and is now playing its part, as a centre for opera, in the artistic endeavours of the present day.

Built on an islet outside the small town of Savonlinna, itself built on a string of larger islands, Olavinlinna has an imposing profile, with three surviving towers and thick curtain walls.

Remarkably well preserved, it looks far out over the lakeland and forest which stretch to the horizon, and is a survival of the wars fought for centuries over this sparsely inhabited Finnish territory by Russians and Swedes.

The earliest parts date back to 1475, when the Danish-born governor of Vyborg (now in the Soviet Union), Erik Axelsson Tott, decided that more protection was needed against the rising power of the grand duchy of Moscow — and guides explain that he had to build wooden fences to protect his builders from the Russians, who considered the island theirs.

But the castle was completed over the next 15 years or so, and continued to be at the centre of fighting along the Swedish-Russian border until 1808, when the whole of Finland was handed over to the Tsar by the Swedes.

Today, like so many other survivals of past violence, it has found a new role: it is the main setting for the Savonlinna Opera Festival; and it is also the focal point for travellers, musically minded or not, who are attracted to the lovely Finnish lake district, with its distinctive

Fortress in a land of peace

combination of great stretches of water and pine-clad shores and islands.

When I was there last month, there was snow on the ground, large stretches of the lakes were frozen solid, and the people of Savonlinna, heavily wrapped, were busy with their own affairs. The towers of Olavinlinna were capped with white, and so were the ubiquitous pine-trees. Daylight hours were few.

But life continued in the restaurants, where reindeer meat, fresh salmon and the roe of a lake fish, the *muikku*, were on offer, together with plentiful tots of Finnish snaps. At the Casino Spa Hotel, where people have been going for various forms of health treatment since the days of the Tsars, I tested the restorative powers of a sauna, followed by a dip in a (heated) pool.

But it is a very different scene in summer, or so I was assured. Then dozens of small passenger steamers ply the waters of the lakes during the long days and short nights, or line the quays of the harbour. The market place on the Savonlinna waterfront has stalls selling everything from vegetables and berries to clothes. Visitors stroll up and down the main street.

The opera is performed in the great courtyard of Olavinlinna, covered for the occasion, and next year they will include *Aida*, *The Magic Flute*, *The Flying Dutchman*, *Madame Butterfly* and *Carmen*, the last two performed in Chinese by the Central Opera Theatre from Peking.

The BBC Welsh Choir and the BBC Welsh Symphony Orchestra, conducted

by Roger Norrington, will also be performing Handel's *Messiah* in the castle, while the Central Opera Theatre will be travelling to Kerimäki, a few miles from Savonlinna, to sing Verdi's *Requiem* in the large and ornate wooden church there.

During the summer the Finnish lakes become the setting for a range of artistic events. The most unusual is reached by driving a few miles out from Savonlinna to one of Finland's best-known beauty spots, Punkaharju, a low wooded ridge dating back to Ice Age times which divides two expanses of lakes — and known as the place where Runenberg, Finland's national poet, composed the words of the national anthem, *Our Land*.

There, several large underground caverns, entirely man-made, have been quarried deep inside the rock, and are used for an arts centre, known as Reunio. There is a concert hall with seating for 1,050 people, as well as exhibition halls and a restaurant, all approached by long galleries leading down from the woodland scene overhead.

For many Finns, the lakeland has a special appeal as a sort of national heartland. The museum in Savonlinna, which stands on an island just by Olavinlinna, recounts the history of the district, known as Savo, which is thought to have been settled since about 7,000 BC by a succession of peoples, including Lapps, Karelians and others; and it describes the works of art, such as paintings and sacrificial stones, that they have left behind.

One exhibit is a full-size reconstruction of a one-room peasant cottage, built of wood, with a woman sitting in front of the hearth and someone sleeping in an alcove above the chimney. A visitor from Helsinki told me that was how his mother had grown up, and he pointed out the basic wooden fittings, including the vaulted bed chest, which were part of that simple country life.

Few Finns now live like that, and it was an indication of how much had changed in Finland in so short a time.

Hi-tech takes over from timber

The Finns are mightily upset when the ill-informed visitor describes them as Soviet puppets; equally they object to outsiders regarding them as a nation of backward Eskimos.

There is little that is unsophisticated or lacking modernity in Finland. It has very firmly established itself as a high-technology country with a population whose demands for state-of-the-art products and services, and enormous reliance on exports, ensure the continuous search by industry for greater technological achievements.

Rapidly developing technologies, ranging from lasers and optical fibres to ceramics and genetic engineering, are playing a vital role in the growth of Finnish industry, and it is decreasing its dependence on basic products such as timber, wood pulp and low-value grades of paper.

The Finnish Academy of Technology says: "Finland has emerged in the last few decades as an advanced industrialized country among the most prosperous in the world. This transition has taken place faster than in most industrialized countries."

"It has been made possible by an extensive educational system, intensive research and development work, and rapid adoption of new technologies in industry and other segments of society. It has also been based on good harmony within society, trusting relations with neighbouring and far-away countries and open channels to international markets."

Foreign trade accounts for nearly one-third of Finland's gross national product, and large forests and some mineral resources have provided domestic base for industrial development and foreign trade. "But the future development must be increasingly based on knowledge and expertise, and their efficient utilization and unhindered exchange", the academy says.

The list of Finnish technological successes is lengthening and typified — as in the case of its wealthy neighbour, Sweden — by the huge sums being spent on research and development in the pulp and paper industries, both in

Finland has made a rapid response to technological change, which includes drugs for rare diseases and X-rays for dentists

terms of making better and higher value-added products and in automating and controlling the production processes.

Paper-makers are now using new ceramic materials, metals such as titanium, and new polymers and composites.

The industry says: "Much of this work has been carried out jointly by the engineering and paper industries with the result that the art of Finnish papermaking is today based on a very high level of expertise and on a well-established infrastructure designed to ensure profitable business operations."

At the same time pulp and paper makers provide the major source of pollution for Finland's rivers and lakes, and the industry has done much to reduce its plant discharges.

Finland's industry says its treatment of waste water is now the most advanced in the world. Organic matter in water has been cut by 70 per cent in 12 years and sulphur emissions into the air by 45 per cent.

In other major so-called smoke-stack industries, Finland has been active in introducing new technology. Rautaruukki, the iron and steel company which supplies more than half of the high-quality steel used in Finland's

ice-breaking ships, has recently completed an automation programme on two high-pressure blast furnaces using a digital process automation system and a programmable logic system.

The result has been a cut in fuel consumption from 468kg to 450kg per tonne of hot metal.

With the Finnish goal of keeping its ports in the Gulf of Bothnia open during normal winters, the race has been on constantly to improve the nation's fleet of ice-breakers.

Wartsila has designed a new hull, and its air bubbling system keeps propellers free of ice. The new luxuriously fitted-out ships, the first of which was delivered in January, have a stainless steel belt in the ice zone around the hull, epoxy paint on the underwater surfaces, and the bow screws replaced with the air bubbling system.

Advanced microprocessor integrated automation systems control many of the functions of the new ships.

In other areas, too, Finland is leading the way. The Laboratory of Computer and Information Science at Helsinki University of Technology, for example, has developed a speech recognition system — the sort that might one day be used in a phonetic typewriter — that can understand languages like Finnish and Japanese which have numerous inflections and endings.

Finnish scientists have also developed new drugs to combat rare diseases, have been among the leaders in developing magnetic resonance imaging in medicine and developed new concepts of panoramic X-ray for dentists.

Edward Townsend
Industrial Correspondent

LAMCO PAPER SALES LIMITED

is the UK Sales Company
of FINNPAP
the Finnish Paper Mills Association.

Lamco supplies a wide range of papers and services.

- Newsprint - Magazine Papers
- Specialty Papers - Fine Papers

For further information, please contact



LAMCO
PAPER SALES LIMITED

LAMCO PAPER SALES LIMITED • NORFOLK HOUSE
31 ST. JAMES'S SQUARE • LONDON SW1Y 4JJ
TELEPHONE: 01-839 4380

FINLAND

Summer light, forests, lakes, sea -
Finest chalets, farms, hotels.
Independent motor holiday with 2-
day sea cruise from Harwich/Newcastle
via Sweden, from 10 nights around
£310pp. Optional tours to USSR incl.
Leningrad.

1988 brochure from:
Finland Holidays Ltd.,
Dunira, Carme,
Perrinshaw PH6 2JZ
Tel 0754 70020

Finland
naturally

01-839 4380

RUGBY LEAGUE

Laying to rest a parochial image

By Keith Macklin

Just over four years ago a quiet revolution took place that is only now beginning to make a tangible impact on the game.

The cumbersome old clubhouse, the council meeting of club chairmen and representatives, with its divisional factions and rivalries, was replaced by a streamlined nine-man management committee whose members were the latest high-profile act has been a vigorous clamp-down on brawling.

The former council was, rather unfairly but with a modicum of truth, likened to a collection of butchers, bakers, candlestick makers and street corner grocers who met in Leeds once a month, nodded their heads in agreement at suggested official policy, then went back to their lanes and businesses.

This picture stuck fast, despite the fact that many chairmen and members were hard-working and dedicated men who cared about Rugby League.

Led by David Oxley, the secretary-general, League officials created the management committee, whose members were chosen by a vote of the full 34-man council.

Since then the work load and efficiency of administration have developed at a staggering pace.

The committee meets every fortnight and there are many other social and private gatherings. The composition is impressive and it has rid the game of its small-time, parochial image.

The present committee is chaired by Bob Ashby, who has a major construction business in the north, and other members include company chairmen, self-employed businessmen running profitable companies, a physical education officer, a local authority, a retired head teacher and a purchasing director with a major international company.

David Howes, the League's public relations officer, says: "This is the type of business acumen and capacity for decision-making that we need as the 13-a-side code expands domestically and internationally."

The topics that are discussed, virtually on a day-to-day basis, through telephone calls as well as meetings, include ground safety legislation involving more than £2 million in grants to clubs, the introduction of a new contract, the examination of the financial structure of the game, the World Cup and next season's Australasian tour.

Ashby typifies the energy and dedication required of management committee members.

He resigned as chairman of Featherstone Rovers to devote more time to his committee work and frequently delegates responsibility for his affairs to business to travel and debate on behalf of the Rugby League.

Recently, he has been to Papua New Guinea, Sydney and Los Angeles - for the New South Wales versus Queensland match - and next month will go to Hawaii for a summit meeting of the world's Rugby League authorities.

Ashby said yesterday: "When I took on the job of chairman I had no idea what was involved. We are so busy now that the time may not be too far away when the League will have to appoint a full-time chief executive to handle it."

TENNIS: WORLD No. 1 TO BE HIS OWN MANAGER

Lendl set to raise his takings by playing a percentage game

From Richard Evans, New York

Ivan Lendl wants to get into player management and the player he wants to manage is Ivan Lendl.

The news, unofficial as yet, that the world No. 1 is about to sever his long relationship with Donald Dell's management company, ProServ, was the talking point in the corridors of Madison Square Garden here on a night that the Swedes, Stefan Edberg and Mats Wilander, made a flying start in the Nabisco Masters round-robin format.

Edberg, looking very much a contender for the title, outplayed Pat Cash in a devastating final set, winning 6-4, 4-6, 6-1, while Wilander finally worked out the mysteries of Miloslav Mecir's game to win 6-4, 6-1.

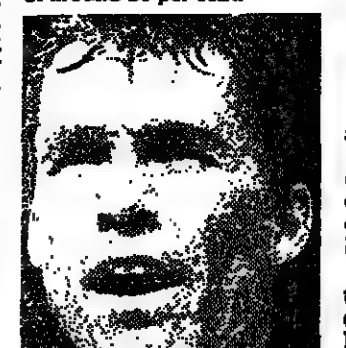
Lendl, I understand, has hired a public relations company to act on his behalf but is keen to handle his own affairs and merely use them as a mouthpiece. He may discover the job is more time consuming than he imagines.

During the early part of his career Lendl was looked after by the intelligent Polish player, Wojtek Fibak, who taught him a great deal about the way business is conducted in the United States. Then, on the strength of the relationship he had struck up with Lendl while working for the former Grand Prix sponsors, Volvo, Jerry Solomon was hired by ProServ to act as the Czechoslovak's personal agent.

Solomon proved so good at his job that he was recently promoted to become ProServ's chief operating officer and consequently found less time to devote to the company's biggest money-maker. This probably has had a big influence on Lendl's surprising decision to go his own way.

Solomon seemed perplexed by the situation yesterday. "It's true that our business relationship with Ivan is changing but frankly I am not sure how or why," Solomon said. "I can't really say anything more because I simply don't know."

Ironically, the Skins game that earned Lendl over \$500,000 (about £272,000) for a few days' work in Florida last week was a ProServ instigated event and would have taken its customary cut of around 20 per cent.



Tie-break: Lendl to sever his connection with Donald Dell

Like the golfer, Jack Nicklaus, who left Mark McCormack's International Management Group midway through his career, Lendl wants to keep all those percentages for himself. As he earns well over \$5 million a year, the sums of money involved are not inconsiderable.

A possible \$210,000 is on the line here for the player who can win the title without losing a match. Lendl's chances of collecting it all, however, looked marginally less secure after Edberg's performance.

The Swede, aged 21, had

not played since winning the Stockholm Open more than three weeks ago but, once he had decided which string tension he preferred on the medium-fast Supreme Carpet, Cash had no chance.

"What could I do?" the Wimbledon champion asked. "The guy's a terrific player and he played an unbelievable third set. If he hits three winners in one game, that's too good. I wasn't disappointed with the way I played. I thought I played quite well."

That assessment gives some indication of the level Edberg has now reached. As he proved while meeting Lendl in Tokyo, the sweet-natured Swede has developed an iron will in Tony Pickard's workshop and it was powerful enough here to ruin any chance Cash had of giving his own coach, Ian Barclay, a happy birthday present.

Three stunning winners in the sixth game of the final set, one a superb running backhand that clipped the line, settled the issue.

On the basis of not having lost a set, Wilander moved to the top of the Pancho Segura Group after his surprisingly decisive victory over Mecir, who normally sets him all manner of intricate problems.

Brad Gilbert beat Jimmy Connors 6-4, 7-6 and was relieved to have done so. Despite a heavy cold that had him spluttering between points, Connors, aged 35, played some wonderful tennis, fighting back from 3-5 to force the second set into the tie-break and then leading by five points to three. But two backhand volley errors allowed Gilbert off the hook.

RESULTS: Pancho Segura Group: S. Edberg (Swe) vs P. Cash (Aus), 6-4, 4-6, 6-1; Wilander (Swe) vs M. Mecir (Cze), 6-4, 6-1; Connors (US) vs B. Gilbert (US), 6-4, 7-6.

MOTOR RACING

Tribute to Spice's successive titles

By John Blunsden

The rare achievement of winning three world championships in consecutive years has been honoured by the Guild of Motoring Writers, who have voted Gordon Spice the 1987 Driver of the Year. Spice, aged 47, received his award last night from Lord Strathcarron, the guild's president and chairman, at the Royal Automobile Club.

Spice began racing in 1963 with a Morgan sports car but after a varied career, which brought considerable success, in both saloon car and long-distance sports car racing, he has concentrated on the latter in recent years with such success that he has now completed a treble as the FIA world endurance drivers' champion in the C2 class.

Although outpaced by the more powerful CI Jaguars and Porsches which have dominated the endurance racing scene, Spice's car, the Spice Fiero, which was designed and built by his own engineering company, has won its class seven times out of 10 this season, including the Le Mans 24 hours, in which he finished sixth overall.

Other victories came at the Japanese and Texas circuits in Spain, at Monza in Italy, at the Norisring in West Germany, at Spa-Francorchamps in Belgium and at Fuji in Japan.

Spice Engineering has also emerged the winners of the FIA world endurance drivers' championships. Previous winners of the Driver of the Year award were Nigel Mansell last year, Derek Bell in 1985 and Niki Lauda in 1984.

Lauda in Dorset and brought up in Australia, Spice returned to the UK in 1966 and has been as successful in business as on the track.

He sold encyclopaedias in order to buy his first car, then he opened a car accessory shop from which he has grown a thriving cash-and-carry business which was turning over £1 million per year at the time of the company's flotation on the Stock Exchange last year.

He formed Spice Engineering in 1985, through which he is also engaged in the design and manufacture of sports cars for General Motors and other major companies.

Holding the fort in leading stable



Charlie Brooks (left), filling the breach in Fred Winter's absence, shares a joke with Peter Spice, one of the stable's owners, at Warwick yesterday (Photograph: Ian Stewart)

His master's fall thrusts Brooks into spotlight

Some people simply refuse to be deterred from this sporting life. Take Charlie Brooks. In a single week, while he was an impressive 18-year-old, his ambitions were apparently devastated. Graham Taylor told him he was too small to be a jockey.

The family line of university, followed by a career in the City, seemed unavoidable. Brooks, however, is an engagingly determined character and, six years on, he will tomorrow be saddling and supervising the Winter-trained favourites for the day's major event at Sandown, while his recuperating partner watches on television.

If Celtic Shod, as is widely expected, wins the Mecca Bookmakers' Handicap Hurdle, no praise will be too high for Brooks, who was educated at Eton and has handled the pressures of the 11 weeks since Winter's serious accident with an accomplished maturity.

Strong working relationship

He was enjoying a rare Sunday morning off at the family home in Oxfordshire, when a phone call alerted him to the crisis. "It was ironic," he recalled. "We had been racing at Stratford the day before and the jockey had been in a marvellous form."

"I actually remarked to someone that it was ages since I had seen him enjoy himself so much. When I heard he had had a fall, it didn't immediately sink in that it could be so serious. It didn't hit me until I went to visit him."

Winter, aged 61, was unconscious for many days but has

since made a steady recovery. He came home on Monday, greeted with genuine affection by his stable staff, and although some way off being fit enough to resume at the helm, he is following the yard's routine with all his old interest.

"We sit down at breakfast every morning. I tell him what all the horses are doing and show him letters from owners," Brooks said.

Winter and Brooks may be from very different backgrounds but their relationship has grown ever stronger in those six years since Brooks first applied for the job as pupil-assistant.

"I was due to fly to New York the following day to start a university course but I had become obsessed with the idea of getting a job in a yard and riding ever since I spent Grand National day with my grandfather at the age of eight and we backed about 15 horses in the race."

Not surprisingly, Brooks did not get the job. "As I was leaving, I stopped and asked if he happened to have any vacancies for stable lads. It was quite spontaneous and he gave me a job on the spot. My mother was absolutely horrified."

There were times, Brooks now admits, when he suspected it had all been a ghastly mistake. Racing losses much of his glamour when you are mucking out in the half-light of mean winter mornings.

"After two years of this, I had decided to give up and go into the City. I was moving the day after tomorrow one day when he searched out. He didn't look very pleased and I thought he was about to tell me I was even useless with a mucker. Instead, he offered me the job as his assistant. He told me I had two days to give him an answer. I needed two seconds."

There is no history of racing

in the Brooks family. His grandfather was one of the last coal-mine owners before nationalisation; his father was a farmer. Brooks even had to learn to ride at Upland, so it is understandable that he racks his Cheltenham Festival win on Observer last March as "the best moment of my life."

He has sacrificed his riding now and is fully committed to being Winter's deputy for as long as he is wanted.

Relishing greater responsibility

"He asked me before the season if I had any plans. I told him I was happy to stay and that has not changed. I have plenty of time to think about training myself. I believe strongly in myself."

You sense that Brooks has risen to the challenge, relishing the responsibility. There is, however, not the slightest doubt that he is as pleased as the Winter family to have the boss home.

"I used to hear all these stories about him being a miserable man. Well, I have worked with him for four years in England and none of these things as much as the 'guy'."

Brooks knows Winter's human side. "He is a secret pool player, you know - he loves a game in a pub at lunch-time. And when the overseas cricket commentators are on the radio on winter mornings, he phones us in the office every time a wicket falls."

Brooks knows, too, that Winter is the sort of man who will want to overcome the odds. He expects him to be back in charge before long.

Alan Lee

Enlightening the dim and distant past

Sports writers of The Times present their selection from the sports books of 1987. Today MITCHELL PLATT is on the best from the world of golf.



SPORTS BOOKS OF THE YEAR

The trouble with an historical account of any sport is that it can descend into tedious.

In *Golf: An Illustrated History of the Game*, Robert Sommers, who was for 20 years the editor of *Golf Journal*, the official publication of the Golf Association, colourfully charts the growth of the championship. He records how it has unfolded over the years and provides a personal appraisal of the likes of Harry Vardon and Bobby Jones.

Then comes *The Golf Book* by Jack Nicklaus and Tom Watson.

He grasps, for example, Palmer's dynamic success in 1960 then compares it with his demise in 1966.

Palmer, described by Sommers as the Harrison Ford of the 1950s and 1960s, came from a humble background, one round to play to win in 1960. In 1966 he stood seven strokes ahead of Billy Casper, with only nine holes to play, but lost in the play-off.

Golf: The Major Championships 1987 brings together the best of the year's golf, with a correspondent of *The Guardian*, and the expertise of photographer Phil Sheldon. It is a

compulsory to include a contentious selection of only 30 players. Inevitably it meant excluding many, such as Nick Faldo and Ian Woosnam, more familiar to the reader of today than, say, John Bull and Harold Hilton.

That Isao Aoki should find a place in Green's top 30 probably suggests the need to appraise the Japanese market. Otherwise, the author remains on the straight and narrow, cleverly dovetailing history with humour.

For an insight into one of the four great championships *The US Open*, by Robert Sommers, who was for 20 years the editor of *Golf Journal*, the official publication of the Golf Association, colourfully charts the growth of the championship. He records how it has unfolded over the years and provides a personal appraisal of the likes of Harry Vardon and Bobby Jones.

Then comes *The Golf Book* by Jack Nicklaus and Tom Watson.

He grasps, for example, Palmer's dynamic success in 1960 then compares it with his demise in 1966.

Palmer, described by Sommers as the Harrison Ford of the 1950s and 1960s, came from a humble background, one round to play to win in 1960. In 1966 he stood seven strokes ahead of Billy Casper, with only nine holes to play, but lost in the play-off.

Golf: The Major Championships 1987 brings together the best of the year's golf, with a correspondent of *The Guardian*, and the expertise of photographer Phil Sheldon. It is a

compulsory to include a contentious selection of only 30 players. Inevitably it meant excluding many, such as Nick Faldo and Ian Woosnam, more familiar to the reader of today than, say, John Bull and Harold Hilton.

That Isao Aoki should find a place in Green's top 30 probably suggests the need to appraise the Japanese market. Otherwise, the author remains on the straight and narrow, cleverly dovetailing history with humour.

For an insight into one of the four great championships *The US Open*, by Robert Sommers, who was for 20 years the editor of *Golf Journal*, the official publication of the Golf Association, colourfully charts the growth of the championship. He records how it has unfolded over the years and provides a personal appraisal of the likes of Harry Vardon and Bobby Jones.

Then comes *The Golf Book* by Jack Nicklaus and Tom Watson.

He grasps, for example, Palmer's dynamic success in 1960 then compares it with his demise in 1966.

Palmer, described by Sommers as the Harrison Ford of the 1950s and 1960s, came from a humble background, one round to play to win in 1960. In 1966 he stood seven strokes ahead of Billy Casper, with only nine holes to play, but lost in the play-off.

Golf: The Major Championships 1987 brings together the best of the year's golf, with a correspondent of *The Guardian*, and the expertise of photographer Phil Sheldon. It is a

compulsory to include a contentious selection of only 30 players. Inevitably it meant excluding many, such as Nick Faldo and Ian Woosnam, more familiar to the reader of today than, say, John Bull and Harold Hilton.

That Isao Aoki should find a place in Green's top 30 probably suggests the need to appraise the Japanese market. Otherwise, the author remains on the straight and narrow, cleverly dovetailing history with humour.

For an insight into one of the four great championships *The US Open*, by Robert Sommers, who was for 20 years the editor of *Golf Journal*, the official publication of the Golf Association, colourfully charts the growth of the championship. He records how it has unfolded over the years and provides a personal appraisal of the likes of Harry Vardon and Bobby Jones.

Then comes *The Golf Book* by Jack Nicklaus and Tom Watson.

He grasps, for example, Palmer's dynamic success in 1960 then compares it with his demise in 1966.

Palmer, described by Sommers as the Harrison Ford of the 1950s and 1960s, came from a humble background, one round to play to win in 1960. In 1966 he stood seven strokes ahead of Billy Casper, with only nine holes to play, but lost in the play-off.

Golf: The Major Championships 1987 brings together the best of the year's golf, with a correspondent of *The Guardian*, and the expertise of photographer Phil Sheldon. It is a

compulsory to include a contentious selection of only 30 players. Inevitably it meant excluding many, such as Nick Faldo and Ian Woosnam, more familiar to the reader of today than, say, John Bull and Harold Hilton.

That Isao Aoki should find a place in Green's top 30 probably suggests the need to appraise the Japanese market. Otherwise, the author remains on the straight and narrow, cleverly dovetailing history with humour.

For an insight into one of the four great championships *The US Open*, by Robert Sommers, who was for 20 years the editor of *Golf Journal*, the official publication of the Golf Association, colourfully charts the growth of the championship. He records how it has unfolded over the years and provides a personal appraisal of the likes of Harry Vardon and Bobby Jones.

Cargo vessel is 'equipment' for purposes of employers' liability Act

Coleman and Another v Bibby Tankers Ltd

Before Lord Keith of Kinkaid, Lord Roskill, Lord Griffiths, Lord Oliver of Aylmerston and Lord Goff of Chieveley [Speeches December 3]

A 90,000-ton cargo carrier was "equipment provided by [the] employer for the purposes of the employer's business" within section 1 of the Employer's Liability (Defective Equipment) Act 1969.

The House of Lords allowed an appeal by the plaintiffs, Mrs Eugenia Margaret Coleman and Mrs Ailsa Elizabeth Martin, administrators of the estate of Leo Thomas Mackenzie Coleman, who died on September 9, 1980, from the Court of Appeal (The Times January 27, 1987; [1987] 2 WLR 1078) who by a majority (Lord Justice O'Connor and Lord Justice Giddens, Lord Justice Lloyd dissenting) allowed an appeal by the defendant employers, Bibby Tankers Ltd, from Mr Justice Sheen.

Mr Geoffrey Brice, QC and Miss Beinda Bucknall for the plaintiffs; Mr Kenneth Rolison, QC and Mr Robin Hay for the defendants.

LORD OLIVER said that Mr Coleman had been third engineer on the Derbyshire, which had sunk with all hands off the coast of Japan while on a voyage from Canada with a cargo of iron ore.

The plaintiffs alleged that the sinking and Mr Coleman's death had been caused by the defendants' negligence. The particulars of negligence included allegations of defective construction and design of the Derbyshire rendering her unseaworthy.

It was pleaded that the defects, said to be attributable wholly or in part to fault on the part of the manufacturers, were defects in "equipment" provided by the defendants for the purposes of their business within the 1969 Act and thus deemed attributable to the defendants' negligence.

The defendants denied that the Derbyshire had constituted "equipment" within the meaning of the Act, and that question had been ordered to be tried as a preliminary issue.

It was common ground that the Act had been introduced with a view to rectifying what had been felt to be the possible hardship to an employee result-

ing from the decision of the House of Lords in *Davie v New Meriton Boat Mills Ltd* ([1959] AC 604).

There, the employee had been injured by a defective drift supplied to him by his employer. It had been held that the employers' duty had only been to take reasonable care to provide a reasonably safe tool and that that duty had been discharged by their having purchased from a reputable source an article whose latent defect they had had no means of discovering.

The purpose of the Act, as set out in the long title, was "to make further provision with respect to the liability of an employer for injury to his employee which is attributable to any defect in equipment provided by the employer for the purposes of the employer's business."

Section 1 provided: "(1) Where... (a) an employee suffers personal injury in the course of his employment in consequence of a defect in equipment provided by his employer for the purposes of the employer's business; and (b) the defect is attributable wholly or partly to the fault of a third party (whether identified or not), the injury shall be deemed to be also attributable to negligence on the part of the employer..."

"(3) In this section... 'equipment' includes any plant and machinery, vehicle, aircraft and clothing."

If subsection (1) stood alone, his Lordship would not have had any difficulty in concluding that, in the context of this Act, a ship was part of the "equipment" of the business of a shipowner.

No doubt that word was frequently and quite properly used to describe the appearance of some larger entity, but his Lordship could not see why its use should be so confined.

Moreover, the House was concerned not with the meaning of "equipment" simpliciter but of the composite phrase "equipment provided by his employer for the purposes of the employer's business."

His Lordship could think of no more essential equipment for the setting up and carrying on of the business of a shipowner than the ship or ships with which the business was carried on.

As Lord Justice Lloyd had observed (at p1104) he would talk naturally of a fleet being "equipped" with battleships, cruisers and destroyers or of the "equipment" of an expedition as including supply ships.

In his Lordship's judgment, a shipowner's fleet was properly described as the equipment of his business.

It was said that "equipment" was to be distinguished from the factory or workplace in which working tools or machinery were provided to which they were affixed and that a ship, or, certainly, an ocean-going vessel of the size of the Derbyshire - was akin to a factory in the sense that it provided the accommodation within which the employee did his work.

While, therefore, it was accepted that the various mechanical contrivances installed in or affixed to a vessel were processed and described as equipment, the ship itself, taken as a whole, was, it was argued, not "equipment" because it constituted the employer's workplace.

No one, however, would regard the powerboat provided for the purpose of a water-skiing school or a pleasure launch on the Thames as being in the slightest degree akin to real business equipment, other than a charter employed in a business.

Such a vessel would be comprehended in the term "equipment of the business" even if it were processed and described as equipment, and his Lordship could see no justification for excluding from it some category of vessel merely by reason of its size and of its necessarily providing accommodation for the crew who were required to be on board in order to operate it for the proper carrying on of the business of carrying cargo from one part of the world to another.

It was, however, argued that subsection (1) did not stand

alone. It had to be read in the context of an Act that also contained subsection (3), and it was that that constituted the strongest argument for the defendants.

Here, it was said, was a specific definition of "equipment" that went out of its way to include plant and machinery, vehicles and aircraft and clothing.

Was it conceivable, it was asked, that the draftsman of the Act, who had evidently regarded subsection (3), particular articles that might possibly not be thought of as ordinarily embraced in the phrase "equipment" provided... for the purposes of... "business", should have specifically included vehicles and aircraft but should have omitted any reference to vessels if such omission had not been intentional?

It was certainly curious that, having resolved to refer specifically to means of transport, the draftsman should have omitted to refer in terms to water transport, but his Lordship found himself entirely unpersuaded that there could be deduced from the omission an intention to cut down the very

wide meaning of "equipment" in subsection (1) that was indicated both by the legislative purpose of the Act and by the width of the clarifying definition in subsection (3), which, having regard to the word "any" and to the absence of any qualifying words, should be widely construed so as to embrace every article of whatever kind furnished by the employer for the purposes of his business.

The limitation contended for would produce some quite extraordinary anomalies. Whenever might be embraced in the expression "plant and machinery", it quite clearly included any machinery installed in or affixed to a ship in the course of some compelling context to the contrary and there was no such context in the 1969 Act.

Thus, the exclusion from the definition of "equipment" of a ship itself produced the absurd position that the employer was liable for injury caused by defective machinery on or in the ship but not for injury caused by anything that could properly be described as the ship itself, that is, the hull or a part of the hull.

That at once raised almost

alone. It had to be read in the context of an Act that also contained subsection (3), and it was that that constituted the strongest argument for the defendants.

Here, it was said, was a specific definition of "equipment" that went out of its way to include plant and machinery, vehicles and aircraft and clothing.

Was it conceivable, it was asked, that the draftsman of the Act, who had evidently regarded subsection (3), particular articles that might possibly not be thought of as ordinarily embraced in the phrase "equipment" provided... for the purposes of... "business", should have specifically included vehicles and aircraft but should have omitted any reference to vessels if such omission had not been intentional?

It was certainly curious that, having resolved to refer specifically to means of transport, the draftsman should have omitted to refer in terms to water transport, but his Lordship found himself entirely unpersuaded that there could be deduced from the omission an intention to cut down the very

wide meaning of "equipment" in subsection (1) that was indicated both by the legislative purpose of the Act and by the width of the clarifying definition in subsection (3), which, having regard to the word "any" and to the absence of any qualifying words, should be widely construed so as to embrace every article of whatever kind furnished by the employer for the purposes of his business.

The limitation contended for would produce some quite extraordinary anomalies. Whenever might be embraced in the expression "plant and machinery", it quite clearly included any machinery installed in or affixed to a ship in the course of some compelling context to the contrary and there was no such context in the 1969 Act.

Thus, the exclusion from the definition of "equipment" of a ship itself produced the absurd position that the employer was liable for injury caused by defective machinery on or in the ship but not for injury caused by anything that could properly be described as the ship itself, that is, the hull or a part of the hull.

That at once raised almost

NEW LAW JOURNAL

